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Latin America

CONTENTS

5 Aug 87 FBIS-LAT-87-150 i

INTER-AMERICAN AFFAIRS

Foreign Ministers Meeting Opens in Guatemala [DPA] BB 1
No Response to U.S. Plan [AFP] BB 2

CARIBBEAN

OTHER COUNTRIES

PUCH Issues Communique on Jean-Rabel Incidents [LE NOUVELLISTE 28 Jul] B 1
Information Minister Noel Discusses Recent Violence B 2
News Media 'Targeted' by Army [AFP] B 6

CENTRAL AMERICA

EL SALVADOR

FDR's Ungo on Quinones' Resignation, Summit F 1

GUATEMALA

Gramajo Describes Embassy 'Terrorist' Plans [ACAN] G 1
Maldonado Leads Congressional Visit to USSR G 1
Soviet Reportage [cross-reference] G 1

NICARAGUA

U.S. Cease-Fire Proposal 'Bid To Boycott' Peace I 1
D'Escoto on Summit, U.S. Plan I 1
D'Escoto Warns of 'War Involving Entire Region' [Guatemala] I 2
Ortega Urges European Support, Investment [Milan L'UNITA 3 Aug] I 3
Defense Minister on Readiness for MIG's [BARRICADA 2 Aug] I 6
New Repatriation Post Created on Honduran Border [BARRICADA 31 Jul] I 7

PANAMA

Attorney's Office Takes Diaz Herrera's Deposition [LA ESTRELLA DE PANAMA 4 Aug] J 1
MATUTINO Cites 'Causes of Conflict' With U.S. [31 Jul] J 4
Officials Search Chamber of Commerce Office J 5
Noriega's Tenure Called 'Danger to Economy' [Bogota] J 6

SOUTH AMERICA

ARGENTINA

President Alfonsin Addresses Labor Issues K 1
Labor Minister Alderete on Wage Hike, Strikes K 1
[BUENOS AIRES HERALD 4 Aug]
Atomic Commission Gets Funding for Projects K 2
Nuclear Technology Exchange With Uruguay K 3
Central Bank Implements New Economic Measures K 3
[BUENOS AIRES HERALD 1 Aug]
World Bank Loans $500 Million To Help Exports K 4
Japan May Make Financial Assistance Available K 4

BOLIVIA

Activities in Oil Fields Returning to Normal L 1
Workers Rally in La Paz, Criticize Government L 1
Central Bank President on 'Flight' of Capital L 1
[EFE]

BRAZIL

Japanese Seek To Exclude IMF From Debt Negotiations M 1
Government Favors National Security Law M 1
Price Flexibility Stage Set for 12 Aug M 1

CHILE

Christian Democratic Party on New Strategy N 1
[EFE]

PARAGUAY

Colorado Party Executive Board Installed Q 1
U.S. Envoy Reportedly Behind Party Split Q 3
[PATRIA 3 Aug]

PERU

Further Reportage on Bank Nationalization Process R 1
Saberbein Discusses Measures R 1
Wagner Refutes Reports R 3
Government To Continue Process R 3
Dollar Exchange Operations Resume 3 Aug R 3
[EFE]

VENEZUELA

Lusinchi Signs Decree for New Radio Project T 1
[EL UNIVERSAL 21 Jul]

SURINAME

Church Group Questions Role of Military W 1
[Amsterdam DE VOLKSKRANT 27 Jul]
Launching of United Front Announced for 2 Aug W 2
80,000 Attend Rally W 2
Army Urges End To Cooperation W 2
Government Denies Irregularities With Credit Line W 3
Price Increases Criticized W 3

FOREIGN MINISTERS MEETING OPENS IN GUATEMALA

PA042303 Hamburg DPA in Spanish 2131 GMT 4 Aug 87

[Text] Guatemala City, 4 Aug (DPA) -- The foreign ministers of the five Central American countries met this afternoon in the Guatemalan capital amid a climate of tension and recriminations. This is their second technical 2-day meeting prior to the presidential summit scheduled for Thursday and Friday of this week in Guatemala.

Foreign Ministers Rodrigo Madrigal Nieto (Costa Rica), Miguel D'Escoto, (Nicaragua), Carlos Lopez Contreras (Honduras), and Ricardo Acevedo (El Salvador) arrived this morning and, together with their host, Guatemalan Foreign Minister Mario Quinones, began their talks in the Camino Real Hotel in an effort to create harmony on the peace proposal for Central America submitted by Costa Rican President Oscar Arias.

The Costa Rican foreign minister stated on his arrival that they will analyze three documents: President Arias' peace plan, the modifications suggested to the plan by some countries, and the peace document of the Contadora Group (Venezuela, Mexico, Colombia, and Panama), with the purpose of drafting a single document to be presented to the presidents of Central America.

Foreign Minister Madrigal Nieto said the Costa Rican effort, through the Arias plan, seeks to reflect the expression of the political will of Central America. He stressed the need to end the arms buildup in the region, which is precisely the reason, he said, the Costa Rican proposal seeks to put an end to this regional arms buildup.

Madrigal Nieto added that quite a number of modifications to the Arias plan were received at the first foreign ministers meeting in Tegucigalpa, but that they do not alter the purpose or the basic essence of the plan, noting that they are modifications dealing with sequence, outlining how things are to take place.

For his part, Nicaraguan Foreign Minister Miguel D'Escoto voiced his satisfaction on the holding of the Central American presidential summit and said that the foreign ministers' meeting is aimed at guaranteeing the success of the summit, by obtaining, no matter how minimal in scope, an agreement for international detente among the countries of the isthmus.

D'Escoto denied that Nicaragua has given or is giving support to the Salvadoran rebels, adding that El Salvador is cooperating in the war waged by the United States against Nicaragua. However, the Nicaraguan foreign minister declared: "We have come to reach points of agreement," and added that "united we can pressure the U.S. Government to end its intervention in Central America and its policy of aggression." D'Escoto also denied that Nicaragua has Soviet "MIG's" or "that they are on the way," but underlined his country's right to use whatever means are necessary to defend its territorial integrity.

Finally, the Salvadoran foreign minister, Ricardo Acevedo, expressed his satisfaction that they have fulfilled the plan outlined by President Jose Napoleon Duarte with the purpose of holding two or three foreign ministers' meetings prior to the presidential summit. Acevedo said there will not be peace in Central America if Nicaragua persists in meddling in his country through the logistical support to the guerrilla fronts that operate in El Salvador. He urged the immediate expulsion from Nicaraguan territory of the logistical and propaganda bases that aid these guerrilla fronts.

He stressed that it is not fair for Nicaragua to seek the withdrawal of U.S. aid to the "contras" fighting the Sandinist government, when they (the Sandinists), continue to aid the FMLN and its political branch, the FDR.

No Response to U.S. Plan

PA050446 Paris AFP in Spanish 0408 GMT 5 Aug 87

[Text] Guatemala City, 4 Aug (AFP) -- The five Central American foreign ministers asserted tonight that they do not know the details of a U.S. peace proposal that would be an alternative to the Arias peace plan for the region.

Tonight, at the conclusion of their first round of negotiations in the Guatemalan capital prior to the summit of Central American presidents, the foreign ministers said that none of them has received any reports about what has been called the Reagan plan during the past few hours.

Costa Rican Foreign Minister Rodrigo Madrigal Nieto said: "I do not know what the Reagan Plan consists of, I have no knowledge" of what it deals with.

According to reports from the U.S. capital, the United States will announce tomorrow a "bipartisan" alternative to Costa Rican President Oscar Arias' plan which, although modified, will be the central topic of the summit.

Madrigal said it could be "a manifestation of interest by the United States" regarding the diplomatic negotiations in Guatemala on the eve of the presidential meeting scheduled for 6-7 August in this capital.

Likewise, Salvadoran Foreign Minister Ricardo Acevedo and Honduran Foreign Minister Carlos Lopez asserted that they had no knowledge of any initiative by U.S. President Ronald Reagan.

However, Acevedo and Lopez explained that during the foreign ministers meeting that opened today it was said that there was talk in Washington of a new U.S. peace proposal for the isthmus.

The Costa Rican foreign minister said that in the initial session, which he considered "quite constructive" and from which he emerged "very satisfied," the discussions were in regard to the Arias plan and the specific topics of democratization and a cease-fire. Without going into detail, Madrigal said they analyzed the plan, based on the observations of Central Americans to the Costa Rican proposal, which was drafted by the Contadora Group in the previous meeting of foreign ministers last weekend in Tegucigalpa. The Costa Rican diplomat explained that the "introduction" of the text to be submitted for consideration by the presidents is "inspired" by Contadora, and although he declined to give any more details, he said the new draft maintains the "basic ideas" of the original Arias draft plan.

Madrigal admitted that his government "never" thought the Costa Rican peace initiative would be approved "just as it was" in its original form.

Meanwhile, the Honduran foreign minister declared that the five foreign ministers are "preparing" a plan that could be signed by the five presidents.

The Salvadoran foreign minister reiterated that "there will be a presidential meeting."

HAITI

PUCH ISSUES COMMUNIQUE ON JEAN-RABEL INCIDENTS

FL042235 Port-au-Prince LE NOUVELLISTE in Creole No 33.043, 28 Jul 87 p 3

[Communique issued by the Unified Party of Haitian Communists -- PUCH; date and place not given]

[Text] We have heard about Jean-Rabel and receive the news with great sorrow and indignation.

After the Macoutes spent 29 years murdering Haitians and pillaging the Haitian people, after all the people rose up on 7 February to get rid of the Duvalier regime, in Jean-Rabel the Tontons Macoutes, together with the big landowners of the big plantations, the U.S. Central Intelligence Agency, and the head of the rural sections in the area, are continuing to shed the people's blood.

What crime will they not commit in order to, as they claim, fight communism?

Last year in the northwest, an American preacher called (Chwiv) was already asking the members of his congregation to haul out their machetes and chop off the heads of communists. So, the minute any compatriot or organization takes the side of the people the Macoute reactionaries always claim they are communists. The position of the reactionaries clearly shows that the communists are rational, revolutionary patriots, who always participate in the people's struggle against exploitation, injustice, and repression and in favor of social liberation.

The reactionaries' statement will intimidate no one. They will intimidate neither the communists nor other democrats. The battle for the people's democracy will continue on to victory.

Radio Lumiere has been highlighting a news report from the Philippines to the effect that the inhabitants of a village massacred the communist inhabitants of another village. We have learned that in Haiti there are criminal, wicked preachers, who have been brainwashing the peasants from (Lakoup Madigra) hill to get them to kill peasants in Casales for being communists.

What they did not succeed in doing with the peasant in (Lakoup Madigra) and those in Casales, they did with the peasants in La Reserve and those in Jean-Rabel. The Catholic peasant group is the victim of the wickedness of the Macoutes and the CIA.

Furthermore, when we heard that the Tonton Macoutes in Jean-Rabel were bragging about being big Tonton Macoutes who are massacring communists and saying that they are Americans after they crushed the Catholic group Caritas, we immediately understood that the CIA was behind all those disorders.

The Duvalierist reactionaries always label everybody communist, just as the CIA has always considered all progressives equally communist, regardless of whether they are Christian or really communist. We find that written in black and white in a document written by American experts on Latin America and the Caribbean called the Santa Fe Document.

They always use terror to try to thwart the will of many people supporting the communist program all over the country, which seeks a true democracy and wants to see progress in society.

The PUCH declares solidarity with all the progressive and Christian groups and with all the popular organizations being threatened by the Macoutes and the CIA. The criminal acts and the massacre the Macoutes have committed in Jean-Rabel in the name of anti-communism must not go unpunished by the law.

The provisional CNG [National Government Council] does not have a right to let those murderous big landowners in Jean-Rabel remain free so they can continue to commit massacres.

All Haitian people are watching to see if the provisional CNG is going to continue in its role as accomplice to the criminal Macoutes and the American spies. [signed] Rene Theodore

INFORMATION MINISTER NOEL DISCUSSES RECENT VIOLENCE

FL041732 Port-au-Prince Domestic Service in Creole 1300 GMT 31 Jul 87

[Telephone Interview with Information and Coordination Minister Garard C. Noel, by unidentified reporter, following attacks on several media on 30 June -- recorded]

[Text] [Noel] The way those people are, you can't interpret them. You have to submit them to an analysis, because you have to have data before you can draw conclusions. You have to look at them analytically. You can investigate. You can ask the pertinent authorities to investigate the matter. Since it is your colleagues they tried to kill, you call your colleagues and express your sympathy, and you ask the pertinent authorities to investigate the identity of the people doing this kind of thing, so they can be punished in conformity with the law.

[Reporter] Minister Noel, as you know the lives of journalists have been increasingly endangered for some time now. We can take as examples the case of our Radio Metropole colleague Jean-Max Blanc and Constantin Chery, (?and) Kompe Zoboy, who were the targets of aggressive acts. Some have even been shot. I would like to know that the ministry's position is on this matter.

[Noel] You ask me a question like that! What a waste of time! Position? I identify with the members of the press, as does my ministry because it is an information ministry. If there is an incident, you know it must of necessity upset me. It could not fail to upset anyone who is the least bit rational, because the press is the fourth estate, which serves to help us attain democracy. There can be no development or democracy without the press.

However, I'm going to tell you something else. [pauses] I have to say it. Perhaps I should wait and say it under different circumstances, but no, I must say it tonight. The press, too, is guilty of misinformation! That creates a situation in which people no longer know if they are coming or going. Misinformation, misinformation! And I'm talking about people who know how to inform properly, people who know the importance of objectivity on the part of the press, on the part of journalists.

No, that's not what they are concerned with! They are misinforming, because of partisan quarrels: somebody needs to be important on one hand; somebody needs to be president on another. And they are telling the people a number of lies regarding things (?that could be verified)! I'm going to give you an example.

A demonstration was held in front of the Haitian Consulate because the Haitian press told people overseas that the CNG went to Jean-Rabel and killed 600 peasants. Does that make any sense? Yet it was (?from here that the report came)! I mean, when you encounter cases like that...[Changes thought] Can you imagine someone deliberately writing, or calling someone to say that 600 peasants have died in Jean-Rabel and [La Koma], La Montagne, and all those places, and that the CNG is massacring them? What happens when you find yourself facing situations like that? One gets so discouraged, one is almost ready to give up. You are helping the person to climb out of a hole, and then, plop! you [words indistinct]. I am a member of a government. The government respects itself. Why do you have to give me that kind of [words indistinct]. That is [words indistinct]. This morning I had to call Canada - to call everywhere [words indistinct] in order to give the true version. What does the government have to do with the Jean-Rabel incident except having to bear all the consequences of the improper behavior of groups? It is a peasant [words indistinct], right? One which has been, if not settled, at least calmed down, and which we are trying to settle, because peasants should be able to live in peace. Understand? Well, it is (in that kind of situation that we find ourselves.)

[Reporter] Minister Noel, could the misinformation of wich you speak be the reason for the acts of aggression committed against journalists?

[Noel] But of course! That's why those things happen. The journalists, instead of trying to be objective, to give the people accurate information... [changes thought] There are many journalists who do this. There are journalists who do it knowingly. Others do it for sensationalism -- the word is now fashionable. Some of them are looking for scoops. The minute they hear something, they repeat it, without making any attempt to verify it. Thus a number of impossible situations are created. And if... [changes thought] I'll let you in on a little secret: Yesterday, for example, people were seen provoking journalists, but those people have nothing whatsoever to do with the police or the members of the Armed Forces. Ah! There is a green vehicle that passed in front of [words indistinct] and shot off two or three bursts of automatic fire. It had neither police nor Army nor any other official license plates. When you find yourself facing things like this, you see... [changes thought] I said it the other day -- now I'm sorry that I (?threw out) [words indistinct]. What these people want to do is destabilize the entire country! They need to destabilize Haiti. They know that what they are doing is (?like kids playing) -- I have said this before -- [words indistinct] and soccer in the mud. They are not (?taking care of any serious business here).

[Reporter] Minister Noel, what do you think about the fact that even foreign journalists...

[Noel, interrupting] But it is the foreign journalists who they are provoking! Don't you see why? So that those journalists will report on CNN, on NBC, and on [word indistinct] -- that the current government is persecuting foreign journalists to prevent accurate reporting!

[Reporter] Mr Minister, if I understand you correctly, it is the foreign journalists who provoke this also?

[Noel] What?

[Reporter] I'm not sure I understand. Do you mean that the foreign journalists...

[Noel, interrupting] But of course not! They are not provoking anything. They came here to gather information and report it. Someone needs to feed them a particular type of information, so they subject them to a lot of provocation. They need these journalists to say, abroad, that we beat people, that we assassinated so-and-so, that so-and-so was murdered, so [changes thought] the people, the terrorists in place to accomplish this, because we know there are terrorists who have infiltrated the different groups in order to generate disorder. That is why in the decree we asked people to announce they were going to hold a demonstration. The demonstration will be attended. Attempts will be made to avert the damage planned. But no! No! Groups -- everyone -- have to rush into the street to demonstrate! Many don't even know what they are demonstrating for, or what they are demonstrating against! That's the phase at which we have arrived [words indistinct]. People take to the streets and they don't even know why they have taken to the streets. They take to the streets so they can go break car windows; so they can shatter store display windows; so they can grab a woman in the streets and rip a chain from around her neck; so they can tell her: Show us your money, and things like that. They take to the streets so they can corner a man at the Rue Bonne Foi [words indistinct] something on (?them) like a revolver, so they can search him and take his money. So, how many policemen would we need?

There is a leader among those talking who said: Yes, there are six million inhabitants against, and so forth. But against what? Against what? Those leaders should stop speaking irresponsibly, should stop mouthing imbecilities, so that the people can have a breather, so they can clearly see the bad things that (?are going on). I mean, just listen to this: One of them said this morning that those bullets [words indistinct] had been used in order to be able to buy materials to build schools. The person shooting is not shooting because he needs to build schools. He is not interested in saving the country. He is someone who needs the CNG to be blamed for doing this or that. That's the kind of mess we are in! That is the kind of filth we are (?wallowing) in!

[Reporter] Mr Minister, you know that, for example, for the demonstration that the Coalition for the Final Struggle staged, PDCH [Haitian Christian Democratic Party] leader Pastor Sylvio Claude had notified the pertinent authorities. However, this did not keep the demonstration from resulting in 9 dead and 21 wounded.

[Noel] Didn't you read the communique issued by the Ministry of Information? We have already said we deplore all those things. However, Pastor Sylvio Claude was at a police station at the time that the incident occurred, when the woman in the white Pajero [jeep] fired on the Bicentennaire, Pastor Sylvio Claude, himself, was inside a police station. So what are you saying to me?

[Reporter] Mr Minister.

[Noel] Continue.

[Reporter] Let's go back to the matter of misinformation.

[Noel] All right.

[Reporter] I don't know how you interpret the fact that last night almost all the radio stations in the capital were subjected to acts of vandalism.

[Noel] You keep talking to me of "interpretations." Let me tell you again: I am analyzing. I am an organ of the established government. I am analyzing what is going on. I have already said... [changes thought] I talked to Jean Dominique [of Radio Haiti-Inter] and to Sampeur [Radio Antilles Internationales]; the members of my office talked to the other radio stations. I said: Jean, we are already familiar with those forms of provocation. I told Sampeur that I know this is a form of provocation. (?They need people to blame for it.) I mean, no established government is going to commit such inanities. It is totally asinine. It is base behavior, and beneath us. People who drop down to the animal level commit that kind of aggression. You see? So, they come with their weapons, do their thing, and tomorrow there are some 10 dead.

People who are analytical, people who pick a problem apart with a view to solving it are going to know we have no interest in doing anything like that. That is not the direction in which we want to go. That's not even the way (?we would do it if we wanted to do it! Would we have attacked them all in a single night?) They would have taken a radio station which just [words indistinct] the government [words indistinct], like they do in certain other countries. Because [words indistinct] nothing in what is going on here.

[Reporter] Thank you very much.

[Noel] Subversion is international. Subversion moves from country to country, from town to town, from rural area to rural area. And we know who is subversive. But up to now we have not been able to identify them. [as heard]. I said "as-yet-unidentified [words indistinct]" in the communique issued today. But they will be identified, because there is no way they can blend into the population. We will get them in the end.

[Reporter] I understand your point of view very well, but, in that connection, what do you think about the Army's firing, point-blank, at the crowd?

[Noel] When did the Army fire point-blank at people?

[Reporter] Well, in particular, yesterday, during the demonstration.

[Noel] Where?

[Reporter] To be precise, at the intersection of Rue Pavee and the Grand Rue.

[Noel] Are you talking about the Teleco incident?

[Reporter] Exactly.

[Noel] The Teleco incident?

[Reporter] Yes.

[Noel] That was a blatant provocation [preceding three words in French]. Someone started firing at the Army. The Army did not respond for the first 7 minutes. It is in the eighth minute that it fired, and it did not even fire at shoulder height! But a green car passed and opened fire.

[Reporter] Thank you very much, Mr Minister.

[Noel] I am awaiting the report of the investigation. An investigation has been opened on the matter. I must await the results of the investigation. I can't imagine anything. I can't sit here and speculate -- because something happened and there are facts involved. I know there was a white Pajero driven by a light-skinned woman. I also know there was a green car that fired, in the [words indistinct] area, in order to provoke the disorder that occurred. We know that. So the authorities are looking for those people. They are being sought. [preceding sentence in French]

[Reporter] There was no time to get the license numbers?

[Noel] You want to know if I know the license numbers?

[Reporter] I don't mean you personally, Minister Noel. That's not your job. I meant didn't anyone have time to...

[Noel, interrupting] Wait, hold on, wait a minute, my son. They wouldn't be crazy enough to drive around with license plates on the car, or they wouldn't be terrorists! Don't you understand that we are in the midst of terrorist activity? These are people who know what they're doing, people who know what they're about and who are going about it [words indistinct].

[Reporter] You just said, a while back, that the Army did not fire at shoulder height. Nevertheless, people died.

[Noel] Only the Army can kill people? I am asking you the question. Answer me. Only the Army (?ever) shoots at people?

[Reporter, chuckling] Thank you very much, Minister Noel.

[Noel] Thank you.

News Media 'Targeted' by Army

PA041655 Paris AFP in Spanish 0022 GMT 1 Aug 87

[Text] Port-au-Prince 31 Jul (AFP) -- For several weeks Haitian newsmen, particularly radio reporters and photographers, have been targeted by some Army members and other officially "unidentified" individuals.

These "unidentified" individuals, however, possess all-terrain vehicles, modern weapons, and, up to now, have been able to move about without being stopped, especially at night.

A new attack against the media occurred on the night of 29 July, when six of the country's principal private and religious radio stations in Port-au-Prince were machinegunned in what the Haitian Newsmen Association (AJH) calls an "escalation of violence" against the country's news media.

The six radio stations -- Radio Antilles International, Radio Metropole, Radio Haiti Inter, Radio Cacique, Radio Caraibes, Radio Soleil (Catholic Church) -- are the most active in giving information and live or recorded reports, and are highly respected by the Haitian public.

AJH Secretary Weber Lahens believes "the situation is very serious and very grave," and he added that "it is a mistake to fire weapons at the news media."

The AJH, the six directors of the machinegunned radio stations, and the director of Radio Lumiere (Protestant), sent a protest letter to the acting chief of staff, Colonel Michel Nicolas, requesting that the guilty parties "whoever they are," be arrested and publicly court-martialed.

The letter states that "according to witnesses" the gunmen were "uniformed military personnel."

Responding to this serious accusation, Pierre Robert Auguste, government information secretary, information and public relations, indicated that seeing people dressed in "olive green" did not necessarily mean that they were active military personnel.

Pierre Roberto Auguste regretted "any act of violence" and hoped "that peace and order would be present to strengthen the guarantees for freedom and the possibilities for democracy."

The identification of the night shooters is essential for everyone. For some people, the attackers were active military personnel, acting under orders from the Army's hard line sector. For others, they were unidentified civilians who wanted to create chaos and blame the extreme right or left for these actions.

The Army's general headquarters has accused "terrorists," some trained in Cuba, operating under the guise of "boat-people". However, they did not establish a direct link between these people and the radio station shootings.

Summarizing the problem, a Haitian newsman stated: "if the attackers were active military personnel working under orders, the problem is very serious, but if they were armed, uncontrollable units that managed to do what they did without being punished, the problem is no less serious."

Regardless of who did the shooting, the fact is that regular Army units have been able to publicly fire their weapons on working newsmen.

Five members of the Haitian news media have received bullet wounds from soldiers who opened fire on three of them while they were driving in clearly identified press vehicles. [sentence as received]

Members of the international news media have also been attacked. A member of the U.S. television network CBS miraculously was not wounded when a military man fired a machine gun at him.

A newsman, whose car was hit by soldiers' bullets, commented last Wednesday that "we are being harassed because we are in the places where action takes place and because we are the only ones, along with photographers, who can record civilian casualties when the Armed Forces shoot."

Photographers and radio reporters who broadcast live are equally harassed.

A Haitian newsman, Jean Max Blanc of Radio Metropole, was arrested when he was reporting, live, the confiscation of material belonging to local and international newsmen.

Blanc was held under arrest for 48 hours, until a judge ordered his release and refused to charge him with attempted arm robbery of a soldier.

Apparently, this is not the Army's predominant spirit.

Radio Haiti Inter, one of the biggest radio stations in the country, reported last Wednesday that an antiriot unit of the Leopards antiguerrilla corps had fired tear gas on Delmas boulevard, without apparent reason as the area was totally calm at the time.

Those in charge of this military unit, headed by Lieutenant Colonel Fritz Romulus -- one of the officers who is most open and polite toward the press -- immediately informed the radio station that the tear gas had been used without authorization and that this undisciplined act would be punished immediately.

The general headquarters has issued a communique tonight proposing a meeting between the AJH, the Port-au-Prince police commander, and the traffic service to agree on measures to guarantee newsmen's safety.

FDR'S UNGO ON QUINONES' RESIGNATION, SUMMIT

PA042323 San Salvador Radio Cadena Sonora in Spanish 1600 GMT 31 Jul 87

[Interview with FDR president, Dr Guillermo Manuel Ungo, in Panama by unidentified reporter in San Salvador; date and place not given -- recorded]

[Text] [Reporter] Dr Ungo, what does the FDR think about the resignation of the Guatemalan foreign minister, Dr Mario Quinones Amezquita, announced yesterday?

[Ungo] Well, we are concerned about that because it is well known that a few days ago the Guatemalan foreign minister concluded a tour through all the Central American countries precisely to seek the viability and the success of the forthcoming Central American presidential summit to be held in Guatemala. The fact this resignation is announced at this time -- even if it has been said that the resignation will become effective following the summit -- leads to speculation. At any rate, regardless of the reason, it is not a positive factor for the success of this meeting. Rather, it indicates the existence of the difficulties that have always arisen concerning the progress that could be made in this type of initiative which seeks the achievement of peace. This indicates that the behavior of the U.S. Government is permanently present in all Central American countries and manages to obtain results serving to hinder this type of initiative.

[Reporter] Concerning this same subject, it was learned a few days ago that [Costa Rican Foreign Minister] Rodrigo Madrigal Nieto visited El Salvador. Later, it was said there is the possibility the Central American summit might have some difficulties. What does the FDR-FMLN think about this?

[Ungo] Well, as I said before in an open letter, we stated that that meeting is very important and pointed out the Central American presidents and foreign ministers have a responsible role in making use of all available means for the sake of detente and regional peace. In reading the international wire reports, we understand the meeting will not be postponed and that it will be held. However, we believe the meeting has been permanently hindered, and the announcement of the Guatemalan foreign minister's resignation is a clear and objective sign there are problems, discrepancies, and difficulties. It also indicates the Central American governments are feeling the pressures every day, and the weaker ones are the ones who are the most dependent.

That is why we have always felt -- and we explain this in our open letter -- it is not enough to have these initiatives at the Central American level, whether these are called the Arias plan or anything else. We feel it is necessary to have broader support from other Central American groups, such as the Contadora and Support Groups, and even international support, such as European support. There is always a power -- a superpower such as the United States -- present in the internal problems of our country as well as the regional outlook of these problems, and it is impossible to confront this power. Our countries are very weak -- some of them are very dependent on the imperial power -- and, therefore, it is necessary to complement and combine several efforts by more Latin American and European countries.

[Reporter] We have also learned that certain difficulties concerning the foreign ministers summits have recently arisen. These summits were supposed to take the prior steps so that the summit itself, or rather...[corrects himself] the foreign ministers meetings were to take the steps prior to the presidential summit. However, now that this difficulty has arisen, can it be said the foreign ministers meeting will be objective?

[Ungo] Well, I understand a meeting of the Contadora Group foreign ministers will be held shortly in Honduras. In this regard, I believe things might progress, although the U.S. Government might impose difficulties and obstacles. I believe the basic problem must be resolved by the presidents. The Contadora Group has its limitations, and the foreign ministers have many more limitations and less power of decision than the presidents. In this regard, the idea of the foreign ministers holding prior meetings is an idea is promoted mostly by the U.S. and Salvadoran Governments to create deadlocks, so no progress will be made. This is a way of distracting people and gaining time, particularly because the U.S. Administration seeks to produce faits accomplis prior to achieving some balances and specific agreements. By faits accomplis, I am referring -- for example -- for the assistance given to the Nicaraguan contras that Reagan must soon bring up to the U.S. Congress. To do this, he must first clear the way following all the investigations on Iran Contragate.

Thus, I believe the foreign ministers meetings are actually pretexts, even though it is necessary at least to prepare some practical aspects so the presidents will be able to reach final and specific decisions. However, to believe everything is going to be processed beforehand by the foreign ministers is a false illusion. In other words, the foreign ministers do not have the capability for processing all this, and this is something the Central American presidents might barely have.

[Reporter] On the other hand, we have also considered the situation that has arisen after Costa Rican President Oscar Arias said he wanted to meet with the guerrillas -- the FMLN-FDR -- and at the same time he basically announced positions to this effect. Do you think it is probable that President Arias and the FDR might meet prior to the Central American presidential summit?

[Ungo] Several months ago we sent President Arias a letter and he has not sent us a direct answer. This is the first time he has mentioned he is willing to talk with us. I want to point out the contrast, that is, that he was indeed able to talk with the opposition contras in Nicaragua, in Nicaraguan territory. However, that is impossible in El Salvador. Therefore, I see there is a sharp contrast in the democratic conditions between one country and the other. The Salvadoran Government itself has said that nobody wanted this meeting. We hope to have a more specific answer from President Arias to see if it is possible to meet. Inasmuch as the Salvadoran Government has rejected the possibilities of President Arias meeting with us in El Salvador, we hope such a meeting could be held in Costa Rican territory prior to the summit. We believe this dialogue is important because it would allow our front's opinion to be learned, which is that we seek a Salvadoran solution, among Salvadorans, for the Salvadoran conflict. This we explained in our open letter.

[Reporter] Going back to the subject of the presidential summit, government officials have already said there is no chance the meeting could be held in the country. As an engineer by the name of Oviedo said, if the FMLN-FDR has a center of operations in Nicaragua and President Arias was there, why wasn't a meeting held there or why wasn't some contact with him made there? What can you tell us in this regard?

[Ungo] That the Salvadoran Government is a government permanently telling lies, falsehoods, and that it has lost credibility. We do not have an operations center in Nicaragua. You are calling me here in Panama. I am the president of the front, and I am not living in Nicaragua. The majority of the FMLN-FDR leadership -- or rather the enire basic leadership -- is in Salvadoran territory. Our offices are somewhere else -- not in Nicaragua, but Mexico. The Salvadoran Government knows this perfectly well. Furthermore, for 7 years the Salvadoran Government has been saying that the Salvadoran guerrillas receive political and logistical support from Nicaragua. That has not been proven. However, there is considerable evidence to the effect that the Ilopango Airport, Salvadoran territory, the Salvadoran Government and the high command of the Salvadoran Army have all been deeply involved in all of the assistance given by the U.S. Government for the contras in Nicaragua. Therefore, the truth is different. Likewise, there is sufficient evidence that has been made public by the newpapers on meetings held in El Salvador with participation of top contra leaders such as Mr Robelo and Mr Calero. Therefore, the situation is different; it is entirely the opposite. The Salvadoran Government should do what the Nicaraguan Government did: It allowed President Arias to meet with the contras in Managua. However, the Salvadoran Government speaks of democracy, but it does not allow even the minimum possibility that we might meet in El Salvador.

GRAMAJO DESCRIBES EMBASSY 'TERRORIST' PLANS

PA041525 Panama City ACAN in Spanish 1412 GMT 4 Aug 87

[Text] Guatemala City, 4 Aug (ACAN-EFE) -- Defense Minister General Hector Gramajo has reported the existence of "a terrorist plan against several embassies" for the purpose of preventing or marring the Central American presidential summit to be held here. Gramajo disclosed this last night on the basis of "confidential reports." As "specific targets," he mentioned the French and Canadian Embassies and those of the Contadora Group countries: Mexico, Panama, Venezuela, and Colombia. The military chief said that for this reason, protection at all embassies and throughout the city will be increased beginning today.

Since yesterday, many policemen, supported by military units, were posted near the Camino Real Hotel, where the "Esquipulas II summit" will be held on 6-7 August.

According to the summit's timetable, the foreign ministers of the five Central American countries will meet today to conclude the drafting of the agenda to be discussed by the presidents.

Gramajo insisted that the discovery of the plans of "the subversive criminals, enemies of democracy, leads to their failure." The defense minister did not disclose further details of the "terrorist plans," nor did he make any direct mention of any of the guerrilla groups that operate in Guatemala.

According to a communique issued by URNG last week, those groups would support the "Esquipulas II summit" as a "step to achieve the dialogue that will result in a commitment to peace."

MALDONADO LEADS CONGRESSIONAL VISIT TO USSR

PA031753 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 30 Jul 87

[Text] Four Guatemalan deputies today completed their 3d day of a visit to the USSR. The delegation is headed by Deputy Rodolfo Maldonado of the Guatemalan Christian Democracy [DCG] and includes Deputies Helmuth [surname indistinct] of the Union of the National Center, (Hector Mayor) of the Authentic Nationalist Central, Rodolfo Valle Valdizon of the DCG, and Roberto [surname indistinct] of the [words indistinct].

The Guatemalan delegation is reportedly seeking to attain a broader understanding on Soviet social and political development. Today National Congress President Ricardo Gomez Galvez explained that the foreign relations commission deputies visiting the USSR traveled with their expenses paid by the Soviet parliament.

Soviet Reportage

For Soviet reportage on the visit to the Soviet Union by the congressional delegation led by Rodolfo Maldonado, see the Latin America & Caribbean section of the 3 August Soviet Union DAILY REPORT and subsequent issues.

U.S CEASE-FIRE PROPOSAL 'BID TO BOYCOTT' PEACE

PA050333 Managua Domestic Service in Spanish 0309 GMT 5 Aug 87

[Text] In an attempt to boycott the peace efforts of the Contadora Group and the summit to be held in Guatemala, which are aimed at seeking peace in Central America, the United States announced today a new plan for a cease-fire in Nicaragua. Here is a news report from Washington.

The United States is proposing an immediate cease-fire in Nicaragua as part of a new plan that contains for fundamental points, it was learned today from official sources. The essential points, it was learned today from official sources. The essential points of the proposal leaked in official circles are: an immediate cease-fire, the departure of all military advisers, bilateral negotiations during a first stage with U.S. participation [intervention] between the Sandinist government and the contras, and a deadline, [not further identified], which is set for 30 September.

The outline of the U.S. peace proposal for the subregion became known on the eve of the audience to be granted by President Ronald Reagan to the six kingpins of the Nicaraguan counterrevolution.

D'Escoto on Summit, U.S. Plan

PA050506 Managua Domestic Service in Spanish 0417 GMT 5 Aug 87

[Special report by Noel Fuentes, delegate of Voz de Nicaragua's Press Department, from Guatemala City -- live]

[Text] In statements to newsmen immediately following the end of the first phase of today's meetings involving Central American foreign ministers, the ministers said they are discussing the Arias plan.

The foreign ministers of Honduras, El Salvador, Costa Rica, Nicaragua, and Guatemala said the summit will in fact take place. They said that during their discussion of points on the Arias plan they have faced certain differences in the form of observations made by each country.

The foreign ministers also pointed out that they agreed on certain points: that the meetings have advanced 30 percent and that they hope much progress will have been reached by the time the summit begins.

Reports on the Reagan plan arrived unexpectedly. Reports out of Washington state that Reagan will apply [instrumentar] his own plan. During a news conference, the foreign ministers said they know nothing about this plan and its content.

Meanwhile, Foreign Minister D'Escoto said the following:

[Begin recording] [D'Escoto] I believe it is possible that President Reagan is very concerned about the results of the presidential summit that will take place in Guatemala on Thursday and Friday this week.

I also belive he is increasingly realizing he will face great difficulty in obtaining new funds for the mercenaries from the Congress. At a given moment he thought the situation had changed thanks to the favorable impact and sympathy obtained by Oliver North during his congressional testimony. However, I believe Reagan has now realized that the U.S. people and the U.S. Congress, which represent those people, are not so readily and easily willing to accept such a request. In fact, he even runs the risk of having this request rejected.

Therefore, he seeks to cause and create an impression and maneuver to make believe he is not a warmongering president; that he is open to peace. In fact, he is a genuine outlaw; a man who operates completely outside all laws; a man who has led his country to a situation of becoming the first government in history to be condemned by the International Court of Justice for promoting state terrorism.

[Reporter] [Words indistinct] President Reagan?

[D'Escoto] President Reagan has never given any evidence of sincerity. He said: I regret my people love me but do not believe me. Reagan himself admitted this. I believe the U.S. people themselves do not believe him. They know the great communicator is really the great manipulator, who is believed less as time passes. They feel sorry for him because of his advanced age. [end recording]

This is a portion of Foreign Minister D'Escoto's statements here in Guatemala after the first meeting of Central American foreign ministers. The meeting of foreign ministers is expected to end tomorrow. They are expected to issue a final document on this meeting in preparation for the Central American presidential summit.

D'ESCOTO WARNS OF 'WAR INVOLVING ENTIRE REGION'

PA042302 Guatemala City Cadena de Emisoras Unidas in Spanish 2045 GMT 4 Aug 87

[Interview with Foreign Minister Miguel D'Escoto 15 minutes prior to 4 August meeting of Central American Foreign Ministers, by Roberto Cifuentes -- recorded]

[Text] [Cifuentes] For the Patrullaje Informativo program of Emisoras Unidas de Guatemala, we are talking with Father Miguel D'Escoto, Nicaraguan foreign minister. Father, you are bringing to this meeting any new proposals to the plan approved in Tegucigalpa last week?

[D'Escoto] The question here is not one of bringing new proposals; rather it is that each government present its objections to the Arias plan. This was already done in Tegucigalpa, and it has never been a matter of, despite the fact some governments did so, submitting counterproposals or more proposals. There are superfluous proposals, because it was assumed that the Central American governments agreed in principle with the Arias plan. Now it turns out that some of them -- even though they had originally agreed -- were not in agreement.

[Cifuentes] Of those superfluous proposals you mention, what are the ones Nicaragua is bringing?

[D'Escoto] No, we already submitted them. They were very [word indistinct] and we already submitted them in Honduras, at the Honduras meeting. We have no other proposals.

[Cifuentes] Do you feel there is now a possibility for peace in Central America?

[D'Escoto] Look, the Central American states are not warring among themselves, thank God. For the moment they are not at war. There is a serious danger that a war involving the entire region might occur, because the United States -- which is the country at war, at war with Nicaragua, a war that has been rejected in the most stern and forceful way by the International Court of Justice -- continues to involve other countries in its war against Nicaragua. If this continues, it will, logically and unavoidably, harm relations (?within the Central American region.)

[Cifuentes] The Contadora Plan involves the possibility of a dialogue with the contras. Will Nicaragua going accept that?

[D'Escoto] First, there is no Contadora Plan which specifies that; it is not included in the Arias plan. Now, we are willing to hold a dialogue with whoever is making war on Nicaragua, and, in fact, the United States Government is the one making war on Nicaragua. It is the one who pays, makes the decisions, and directs the war.

[Cifuentes] Thank you, Father, we do not want to detain you any longer, because you have a meeting. We may talk later. You have been very kind.

ORTEGA URGES EUROPEAN SUPPORT, INVESTMENT

PM041544 Milan L'UNITA in Italian 3 Aug 87 p 2

[Interview with President Daniel Ortega by Carla Barbarella in Managua; date not given]

[Text] [Barbarella] There are many signs of an exacerbation of the political situation in Central America. A particular cause for concern are the growing tensions in Panama on the very eve of the Contadora countries summit due to meet on 5-6 August for a further attempt to seek a peaceful settlement of the area's problems. What is your assessment of this situation, especially in view of the persistence of the aggressive U.S. policy in the area?

[Ortega] I would like to say, first, that the Latin American and Caribbean countries have suffered a heavy economic, financial, and commercial blow. This, irrespective of each country's political and ideological conceptions, has further increased the discrepancy between their specific interests and those of the North. Indeed, we are witnessing a typical confrontation, a classic North-South clash, in which the interests of the North are of course those of the United States. In this context of contradictions and conflict, the North American administration is trying to disorganize Latin America's action. Since Torrijos started struggling in Panama to regain the canal, a process of convergence has indeed been evolving among the countries of the Central American region. [paragraph continues]

The same also happened during Nicaragua's struggle against the Somoza dictatorship. Now, a Latin American convergence is developing against the U.S. policy. It is opposed to this strong-arm policy and demands a peaceful solution to the conflict. More generally, the gravity of economic problems is prompting the Latin American countries and their governments to adopt increasingly conflictive stances toward North American policy. We are now witnessing stances that would have been inconceivable until a few years ago, such as that adopted by Brazil on the foreign debt problem. It is an extraordinary factor that displays the failure of the scheme of economic relations imposed by the United States. It is such a failure that countries such as Brazil find themselves forced to unilaterally declare a moratorium on debt repayment. It is true that Peru has also adopted a stance of opposition, but I stress Brazil's case because of what that country stands for in Latin America.

[Barbarella] This being the nature of the conflict, how could it evolve in the coming months and what are the prospects for Latin America and for Nicaragua in particular?

[Ortega] The future of U.S.-Latin American relations is now at stake. The issue now is whether these relations will be maintained within the context of the Monroe Doctrine or whether they will be substantially changed, thus laying new foundations for U.S.-Latin American relations. Obviously, the United States is committed to maintaining the Monroe policy, which is why it opposes a peaceful solution in Nicaragua and El Salvador, countering any expression of independence of sovereignty on the Latin American countries' part. If any of them adopts stances opposed to those of the United States and asserts its rights to independence and self-determination, then there are pressures, threats, and blackmail from the United States, even in the case of a major country. Basically, the United States is trying to contain Latin America or, rather, to put back in its place a Latin America that is, on the contrary, developing discord. It is doing its utmost to eliminate the Nicaraguan revolution militarily, to destroy the Salvadorean people's struggle, and to destroy Contadora by exerting pressure on and threatening the countries of the group and by carrying out destabilizing actions against Panama, which is the group's key country. Indeed, that is where the canal is, which is as strategic concern for the United States, which therefore does not intend to return to to the Panamanians. There was an agreement to that effect with the Carter administration but the present Reagan administration wants to undermine it, which is why it opposes any autonomous national claim on the canal. The United States wants to restore a regime in Panama that will permit it to retain the canal indefinitely, moreover using Panamanian territory as a base for attacks on Nicaragua. The United States is thus dealing a very heavy blow -- which could even prove fatal -- to the Contadora countries' peace effort. This is the stage we have reached in the conflict. In other words, we are living in a time of historical importance for the Central America region. Its future will depend on the steadfastness, ability, and resilience with which the Central American countries defend their positions.

[Barbarella] In this situation of conflict, which is not only political but also military, Nicaragua's economic situation is also deteriorating. On the anniversary of the Sandinista revolution on 19 July, you talked in alarming terms of the cost of the war and its impact on the country's economic situation. Over 50 percent of the GNP is allocated to military expenses. How will Nicaragua extricate itself from this situation?

[Ortega] Nicaragua faces a very serious economic crisis both because of the war and because of the international economic situation. These two factors together create a profound crisis. Nevertheless there is an important factor in Nicaragua's favor, namely, the fact that it has carried out a revolution. This means that we do not have the social conflicts that exist in other countries where, since there is no war, the crisis may be less acute but where social tensions are, on the contrary, very acute precisely because there has not been a revolution. [paragraph continues]

This is the major difference. The Nicaraguan people are tackling the economic situation with an awareness of where the difficulties originate and are therefore using all available resources to tackle the crisis. I said in my 19 July speech that the external cooperation enjoyed by Nicaragua is far smaller than the investments that the United States had made over the years in the Central American war area to establish military infrastructures and to do what was necessary for its policy of aggression against Nicaragua. This is an objective fact. Nevertheless the Nicaraguan people have resisted and are still resisting even in a situation of very grave economic crisis.

[Barbarella] In this situation the importance of maintaining, and indeed strengthening, international cooperation is clear. Do you believe Europe's political support and the EEC's economic cooperation are sufficient in this context or do you, on the contrary, believe, as some have said, that there has in recent months been less interest on Europe's part in the Central American region, perhaps because of more than likely U.S. pressure?

[Ortega] International cooperation is likely because of their great dependence on the United States. We would obviously like to be able to depend on greater cooperation, which we believe should be pluralistic, so to speak. Indeed we believe it should come from several countries, from several areas -- from West Europe, East Europe, Japan, Canada. This would grant our governments greater autonomy for the sake of peace. If the peace effort were to be combined with greater foreign aid, it would be possible to revitalize the economy of the entire area and we would be able to lay the necessary foundations for progress along the path of development. In other words, we could at last move forward instead of backward. In fact, regression is the only option the United States has offered Central America. I stress that pluralistic foreign cooperation for the region's benefit would have a very major impact on restoring peace. As for the EC, we know there is undeniable interest in the Central American region, but we are worried because the EC is not joining the cooperation effort to the extent the situation demands.

[Barbarella] It is therefore important for Nicaragua and Central America that the conditions be created for a further, and if possible broader, cooperation agreement between the EEC and the Central American countries, in other words, the signing of a San Jose IV agreement, obviously on a larger financial scale and envisaging a broader spectrum of cooperation.

[Ortega] Certainly it is very important to make progress in this rapprochement between the EEC and Central America to make effective, and above all to expand, the present cooperation process. It could make a significant contribution to the recovery of the region's economy. However, I would like to stress that the Central American countries are not only requesting aid but also offering resources. In Nicaragua we have major mineral resources, great agricultural potential, and major fishing resources. Of course we need technology and investments to exploit them. This year we will draw up a law on foreign investments but we already facilitate joint investments by public and private enterprises involving British, Japanese, Honduran, and Bulgarian concerns. However, I would like to say that we realize there is a great awareness in our regard on the part of the people, progressive organizations, and democratic political forces in Europe. We received great support at the time we were combating the dictatorship. Support and solidarity are still being granted to a country that is suffering an unjustified foreign aggression. This support is an important factor in encouraging the European governments to maintain, and if possible increase, their cooperation with Nicaragua. Action by the grassroots, the workers, and all democratic forces is still essential to us.

DEFENSE MINISTER ON READINESS FOR MIG'S

PA040323 Managua BARRICADA in Spanish 2 Aug 87 p 5

[Text] General Humberto Ortega, chief of the EPS, yesterday said that the runways and men necessary to manage MIG-21 airplanes are ready. He reaffirmed that Nicaragua has not surrendered its right to complete its antiaircraft defense system.

The contras that have infiltrated Nicaraguan territory depend basically on supplies transported by air because their social base has been reduced, their sources of land-based supplies have been dealt harsh blows, they are limited on the border, and they have been expelled from the areas they attempted to control, Ortega explained.

To not have the MIG airplanes -- he continued -- would facilitate the U.S. plan to invade Nicaragua by way of its current mercenary groups, who depend on supplies that come from El Salvador and Honduras, and which results in the violation of Costa Rica's airspace.

Ortega said that during the month of July alone the contras received at least 20 supply drops by air. This is possible due to the use of U.S. Government high technology.

Military Experiments in Nicaragua [subhead]

In this regard, Ortega said that after its defeat in Vietnam, Washington has carried out military experiments in Nicaragua through the contras to perfect various types of infantry weapons, modern communications and air supply systems, combat methods, etc.

In addition to the surface-to-air missiles and other weapons, a significant number of helicopters and transport airplanes comprise the antiaircraft defense system, but this system is designed to include fighter planes or interceptors, Ortega said, stressing the defensive nature of the MIG airplanes.

Ortega also pointed out that Nicaragua is not a developed country and it does not have an industrial structure. Therefore, it does not have the capability to invade any country, not even neighboring countries.

Stones and Other Things [subhead]

However, the arms that Nicaragua is receiving are not only aimed at hastening the defeat of the contras, but at establishing conditions that will allow Nicaragua to efficiently confront an eventual direct military invasion by the United States.

That is why the EPS is acquiring antitank weapons, even though the contras do not have tanks.

Ortega recalled that Nicaragua's history is one of U.S. military invasions and that now the United States will not find the Nicaraguans with stones, although if necessary they will fight with stones, but also with other things "that will allow us to defend ourselves better than we did in the past."

Quoting a U.S. newspaper that said that this year Nicaragua has obtained Soviet weapons valued at $300 million, Ortega once again claimed "the right to continue arming ourselves because of the type of aggression we are suffering and because of the permanent threat of invasion on the part of the United States."

Ortega dedicated the first part of his speech to an explanation that praised the development of the Air Force and Antiaircraft Defense (FAS-DAA), and especially to stress the devotion, bravery, and audiacity of the pilots and co-pilots, technicians and other specialists, 600 of whom have graduated during the past 8 years.

The Best Pilots of America [subhead]

Ortega said that the Nicaraguan pilots are as good or better than those of any Latin American country or even the United States.

Despite not having much academic training, they have gained experience in combat and against the sophisticated weapons the United States supplies to the contras, and not in large academies that offer good conditions and material stimulation.

These pilots fly in difficult climatic conditions and complicated tactical-military situations, Gen Ortega added, also underlining that these officers are aware of the fact that they are fulfilling missions for the fatherland.

The chief of the EPS spoke at the activities commemorating the 8th anniversary of the foundation of the FAS-DAA, held at the National Aviation Technical School near Xilon. There were promotions, the graduation of pilots, co-pilots, and technicians, merit awards, and the presentation of the Camilo Ortega medal, in gold, to Lieutenant Hilario Gaitan Hernandez, who drowned a contra Hughes 500 Defender helicopter on 22 July.

NEW REPATRIATION POST CREATED ON HONDURAS BORDER

PA041430 Managua BARRICADA in Spanish 31 Jul 87 p 2

[Report by unidentified "Special correspondent"]

[Excerpt] Tegucigalpa, Honduras -- The governments of Nicaragua and Honduras yesterday agreed here to open a new border post that will allow them to continue repatriating thousands of Nicaraguan Indians who lived in refugee camps in Honduras.

The new border post will be at the town of Leymus, located on the southern border of Honduras, next to the Coco River. Hundreds of families, mainly Miskitos, will be repatriated through that post starting next September. More than 10,000 Nicaraguan refugees are still living in Honduras.

The decision was approved during a meeting held by "liaison officials" from the two countries for the repatriation of those citizens: Oscar Telez, chief of the Central American Department at the Nicaraguan Foreign Ministry; and Colonel Abraham Garcia Turcios (retired), president of the National Commission for Refugees (CONARE).

The meeting was also attended by Danilo Abud Vivas, Nicaraguan ambassador to Honduras; Javier Garcia, Nicaragua's consul general; Rita Delia Casco, chief of international organizations at the Nicaraguan Foreign Ministry; Leonardo Franco, Jaime Ruiz de Santiago, and Waldo Villalpando, UNHCR officials for Central America; and local officials. [passage omitted]

ATTORNEY'S OFFICE TAKES DIAZ HERRERA'S DEPOSITION

PA041950 Panama City LA ESTRELLA DE PANAMA in Spanish 4 Aug 87 pp A1, A16

["Continuation" of deposition given by Colonel Roberto Melanio Diaz Herrera, retired, to Assistant District Attorney Rafael Guerrero in Panama City on 27 July -- quotation marks as published]

[Text] At 2300 on 27 July 1987 in Panama City, before the undersigned district attorney, citizen Roberto Melanio Diaz Herrera, whose personal information is already on file, appeared before me to give a statement for the investigation being conducted. Once he was legally sworn-in by the district attorney and read Articles 351, 352, 353, and 355 of the Penal Code, Diaz said he would tell the truth and state all he knew on whatever he would be asked. Following this, the questioning of Roberto Melanio Diaz Herrera continued, after having been suspended during the morning hours. He is questioned as follows:

QUESTIONED: In the 11-18 July 1987 issue of QUIUBO [GRAFICO] an article appeared entitled "Evidence Against Noriega" subtitled "TORRIJOS' MURDER". On page eight a statement appeared that is attributed to you that states: Regarding the plan to murder General Omar Torrijos, which I shall discuss very briefly, all I will review is some information dating back to 31 May 1983, which was originally gathered by Moises Torrijos Herrera, from sources that, according to him, were from the U.S. CIA, when one of their agents, for some reason, 'wanted to help' and started supplying U.S. security information that described plans to murder Gen Omar Torrijos, which eventually resulted in the attack...that is why I said we were going to talk about several dead, at least those I have been able to find out about." Diaz is asked if in fact these were his statements and if he affirms and ratifies them.

ANSWERED: Before answering the question, I want to make some changes and corrections to the testimony I gave this morning.

QUESTIONED: What are the changes you want to make to your previous testimony?

ANSWERED: It concerns the electoral fraud, in connection with the meetings that took place at my home with Electoral Tribunal magistrates Dr Rolando Murgas Torraza and Yolanda Pulice Rodriguez. Those meetings were made to coordinate the logistic support the Defense Forces would lend them, as was indeed the case, moving equipment and the necessary materials for the elections.

At no time during those meetings was electoral fraud or any other topic related with election results discussed. As for the presence of Dr Nicolas Ardito Barletta in my house, I want to point out that at no time did this gentleman take part in any joint meetings with the above mentioned Electoral Tribunal magistrates.

The times he came to my house were to discuss public order and had nothing to do with elections.

My statements regarding electoral fraud were based, as I have already said, on reports presented by opposition parties and which were published in the media. I must add that as a member of the Joint Chiefs of Staff I have no knowledge that the Defense Forces took part in fraudulent acts to alter the election results.

Having clarified this point, I proceeded to answer the question you have asked: They were my statements. However, I do not ratify or affirm them because they were based solely on photocopies of manuscripts that Moises Torrijos handed out.

QUESTIONED: In publications that appeared in the Tuesday, 9 July 1987 issues of EL SIGLIO, there was a news item entitled "Diaz Herrera Blames Major Cordoba and Captain Del Cid for Spadafora's Death." Part of the text reads:

"Gen Noriega planned the murder of Hugo Spadafora in 1985 with the participation of Major Cordoba and Captain Del Cid before leaving for his trip to France" Col Roberto Diaz Herrera, retired, pointed out. He is then asked if he affirms and ratifies the reports that have been transcribed, if these were his statements, and what proof he has to support such statements.

ANSWERED: Mr District Attorney, I did give this report, but I do not affirm or ratify the contents because I gave the news based on what the Spadifora family said.

I cannot attest to this fact because I do not have proof. I want to point out that the articles that appeared in LA PRENSA and the accusations made by the Spadafora family were the bases for my statements on that topic to the media. Really I do not know who was responsible for or who committed the murder.

QUESTIONED: In the 10 June 1987 issue of EXTRA, statements attributed to you appeared under the headline "The General Staff Tried To Oust General Noriega." According to the newspaper you said: "The members of the General Staff were shocked by Dr. Hugo Spadafora's crime and they wanted to give another commander the opportunity"..."in the search for individuals who would permit maneuvers to oust Noriega, I ordered Major Armando Palacios Gondola to mobilize Battalion 2000 (with headquarters in Cimarron) to panama.

Noriega found out and called me from Europe. He was very worried because I had mobilized the troops. I never told him that I was going to overthrow him because I did not have the necessary conditions to make it effective, the current retired military officer stated." In fact, that was what happened, Justines and Castillo changed their minds and the plan to oust General Noriega then was foiled. To cover myself, and for survival, I took advantage of Dr. Nicolas Ardito Barletta's plan to appoint a commission to investigate the murder of Hugo Spadafora and I caused, at the political level of the PRD [Democratic Revolutionary Party] and other sectors, the ouster of Barletta from the presidency to justify, in my position as a military officer, what I had plotted against Noriega." The report also attributes a statement to you saying that members of the General Staff "including Colonels Marco Justines and Elias Castillo" had agreed to oust General Noriega. You are asked if it is true that you made such statements and if you confirm and ratify that you said them.

ANSWERED: Yes, those were my statements. However, I do not confirm or ratify them because at no time did Colonels Marco Justines and Elias Castillo agree to oust Gen Noriega and much less to do so with me. Regarding the mobilization of the troops and the other matters, I do confirm what I said.

QUESTIONED: In LA PRENSA's 8 June 1987 issue, under the headline "TRANSCRIPT OF RETIRED COLONEL ROBERTO MELANIO DIAZ HERRERA'S STATEMENT," appeared a report referring to $12 million that the Shah of Iran gave to Colonel Torrijos. The deponent is hereby asked to explain everything he knows about the action mentioned in the report.

ANSWERED: Yes, Mr Prosecutor, it is true that I made these statements to the media regarding the $12 million the shah gave to Gen Torrijos when he sought exile in Panama. However, I want to note that regarding this aspect I know what Elio Camarena, who works on the Panamanian Defense Forces' Defense and Security Commission, reported. He said that in European banks, I think that in Swiss banks, there were funds left by the late Gen Torrijos so that his relatives could make the claims to which they were entitled. However, the claims were never made.

QUESTIONED: The deponent should answer if Eng Julio Noriega tried to withdraw these funds that were supposedly in Swiss banks and that belonged to General Torrijos.

ANSWERED: I do not know that for sure.

QUESTIONED: In LA PRENSA's 8 June 1987 issue, under the headline: "TRANSCRIPT OF RETIRED COLONEL ROBERTO MELANIO DIAZ HERRERA'S STATEMENT," the following remark, which was attributed to you, was published..."I have told General Noriega, just as I am saying it here, that Colonels Justines and Alberto Purcell told him in November the date that I was leaving. That occurred when the Assembly was questioning Roberto Velasquez about the lumber problem. There was a shady deal with the lumber. I can attest to that now in the presence of notable witnesses such as Msgr McGrath and the apostolic nuncio. Then, you explained what happened with that and what kind of bags [maletines] were involved. The deponent was asked if these were his statements and if he confirms or ratifies them.

ANSWERED: I am not sure of that. However, I recall that I made the statements. [sentence as published]

QUESTIONED: The 2 July 1987 edition of the daily "EXTRA" published an article with the subhead "THE MEMORIES OF MELANIO TO THE HONEST LEFT-WING OF PANAMA" and the following statement is attributed to you: "Ask [Legislator Luis] Lucho Gomez for the 2 million balboas that the Civic Action of [Colonel Alberto] Purcell reportedly spent in San Miguelito." You are questioned if that statement was indeed made by you, and if you confirm and ratify it.

ANSWERED: Yes, I admit that the statement was made by me to the media; nevertheless, I do not ratify such a statement because it was made with the sole purpose of obtaining a political effect. The facts mentioned in such a statement are not true.

QUESTIONED: The questioned may now state if he wishes to add any further comments to the present declaration that have not been asked of him thus far.

ANSWERED: Yes, I do wish to add that I am making the present declaration with complete freedom with the purpose of making the necessary corrections before third parties, and as far as I am concerned, so I and my relatives will live normal lives again. I admit that at the beginning, there were factors of human nature that had an influence in this conflict, to which some elements of political nature were added, which inspired various interests that influenced the position I assumed. Nevertheless, I hereby want to state that everything I have stated in the present declaration occurred as I have manifested in the declaration.

This being the situation, and not having another reason for the present proceeding, it is hereby concluded and signed by all those who have participated in this.

The Prosecutor,

Rafael Guerrero C.

The Questioned,

Roberto M Diaz Herrera

The Secretary

I HEREBY CERTIFY THAT THE PRECEDING IS A COPY OF ITS ORIGINAL.

MATUTINO CITES 'CAUSES OF CONFLICT' WITH U.S.

PA040039 Panama City MATUTINO in Spanish 31 Jul 87 p 6

["Let the People Judge" column by Ricardo Lince: "More Violations"]

[Text] The causes of conflict in Panama-U.S. relations once more appear endangering peace in the nation and the region. In addition to these causes, there are the actions of cowboy-style Ambassador Arthur Davis.

These causes include contempt of summons that the Panamanian authorities issue U.S. soldiers or dependents who are sought for civilian suits or by Panamanian penal tribunals for suits and investigations over illegal actions committed by U.S. soldiers stationed at military bases.

These are examples of violations of the treaties and human rights in the country where they live and where they must abide by its constitution and laws. To this effect, Omar Ali, the corregidor of Anton, has reported these violations to the Joint Commission. There is the specific case of a soldier involved in an automobile accident who was found guilty by the court. However, his chiefs took him out of the country because he was a military policeman, belonging to the class of the untouchables.

The suit has been filed before a Panamanian court by Panamanian citizen Margarita Linares de Reed, who charged U.S. soldier Yolanda Robinson, stationed at Howard [Air Force Base], with causing considerable damage to her vehicle in complicity with a soldier named Lovel, who was drunk when he crashed the car against a taxi. [paragraph continues]

While the DENI [National Department of Investigations] was investigating the male soldier he was taken out of the country because he was a military policeman. Yolanda Robinson, who is also a soldier and his girlfriend, has been summoned twice by the Panamanian Defense Forces, but apparently she is also being protected. In view of the contempt of summons, an order of arrest has been issued.

The whole matter has been taken to Lieutenant Colonel Alba, of the Joint Defense Board, which has many other similar cases, including soldiers who refuse to pay child support or their debts and other civil and criminal charges. It is said that a person named Ostrander, the legal adviser of the U.S. Army, is the person that fabricates the imperial formulas of disrespect. This individual, who was born in Panama but acquired U.S. nationality, is the center of attention of the Panamanians employed on the [military] bases in view of his unspeakable behavior that might explode any moment. The plaintiff in one of these cases, Margarita Linares de Reed, has raised charges of violation of her constitutional rights because there is an attempt to subject her to the U.S. Constitution. A letter explaining the offense is circulating in the high circles of the U.S. Congress, the U.S. authorities, and the Panamanian journalists. Special Envoy Aquilino Boyd will take actions in this regard.

OFFICIALS SEARCH CHAMBER OF COMMERCE OFFICE

PA050137 Panama City ACAN in Spanish 0027 GMT 5 Aug 87

[Excerpts] Panama City, 4 Aug (ACAN-EFE) -- The headquarters of the Chamber of Commerce and Industries of Panama, which heads the opposition movement that has been demanding General Manuel Antonio Noriega's ouster for 2 months, was searched today on orders from judicial authorities.

District Attorney Mario Ballesteros told the press at the end of the search operation he led that the purpose was "to confirm" the participation of members of the Chamber of Commerce in "actions against the state's internal personality [la personalidad interna]."

Ballesteros said that evidence was found inside the offices of the business organization and that it will be analyzed and evaluated in the next few days.

"Flysheets, the contents of which undermine the state's internal personality, are issued and distributed at the Chamber of Commerce," Ballesteros said. [passage omitted]

During the search, which lasted for over 2 hours, the lawyers for the [Civilianization] "Crusade" were not allowed in and those who were inside were prevented from leaving the building, which was guarded by security agents of the Defense Forces of Panama in civilian garb.

Employees of the Chamber of Commerce, leaders and members of the Crusade, and the district attorney himself asserted to ACAN-EFE that no arrests were made, that there will not be any closing, and that the proceeding took place peacefully.

While the proceeding was under way, and despite requests from Crusade members to remain calm, scores of their followers surrounded the Chamber of Commerce building and shouted antigovernment slogans.

Members of the opposition insulted and threw stones at the district attorney as he walked the short distance between his office and the Chamber of Commerce, but he was uninjured. [passage omitted]

NORIEGA'S TENURE CALLED 'DANGER TO ECONOMY'

PA310404 Bogota Inravision Television Cadena 1 in Spanish 0007 GMT 31 Jul 87

[Report on interview with Dr Ricardo Arias Calderon, president of the Panamanian Christian Democratic Party, by "Noticiero 24 Horas" reporter Raul Rodriguez, in Panama City; date not given -- recorded]

[Excerpt] [Passage omitted] Panama has the unenviable privilege of being one of the 14 most expensive cities in the world. A U.S. made plastic hairbrush will cost $2.60 -- some 700 Colombian pesos -- in any supermarket. This cement paradise is the most important financial center in Latin America. There are 142 banks established in Panama which secretly handle millions and millions of dollars. Some banks would open an account for you with $500, others would not do it with less than $50,000. Therefore, if we take into account these examples or basic facts, we conclude that:

1. Those promoting the strikes against the government of President Eric Arturo Delvalle and General Manuel Antonio Noriega belong to a privileged and determinant sector in the economy, and,

2. In addition to the political effect, there is another one, which is added in dollars.

[Begin recording] [Rodriguez] It seems that from the economic point of view this kind of movement you are heading has not caused any effect.

[Arias Calderon] I believe the continuation in power of Gen Noriega is a danger to the Panamanian economy. In the past few weeks, thousands and thousands of millions, who knows, perhaps 3 or 4 billion deposited in the Panamanian banking system has already been transferred elsewhere. Internal credits have been cut down and the construction industry is coming to a standstill. A dramatic increase in unemployment is expected, which is currently between 17 and 19 percent; unfortunately, it is expected to increase several points in the next few months.

[Rodriguez] The political effects of the political crisis in Panama are affecting not only international investors and large business owners, but also the local people. For example, a taxi driver also sees his income affected every time there is a strike. [end recording]

PRESIDENT ALFONSIN ADDRESSES LABOR ISSUES

PY050253 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1123 GMT 4 Aug 87

[Text] Buenos Aires, 4 Aug (NA) -- President Raul Alfonsin today said he is "really satisfied" with the performance of Labor Minister Carlos Alderete and lauded the agreement model achieved yesterday between the Labor and Economy Ministries to create the labor-management arbitration boards.

Alfonsin today emphasized that the elections in San Juan Province "were good elections," in which the citizenry "exercised its responsibility." Nevertheless, he said "the atmosphere was a bit more loaded than I would have desired."

Alfonsin also lauded the joint declaration made by the labor minister and the economy minister, announcing that wages and labor-management arbitration boards will be created. In Alfonsin's opinion these agreements emphasize "a willingness to make progress with a high degree of responsibility." Alfonsin made these comments today to the press at the metropolitan airport shortly before boarding an airplane that took him to Mendoza and Neuquen Provinces.

Concerning the call to collective labor negotiations, the chief executive said "we are finding an increasingly rational mechanism, seeking formulas for a consensus." Alfonsin lauded the performance of Labor Minister Carlos Alderete. He said: "We are really satisfied with his performance."

Alfonsin's unscheduled meeting with the journalists ended abruptly when the president replied "well, well; good-bye" to a journalist who questioned Alfonsin's opinion on the comments made by Leopoldo Bravo, a senator from San Juan Province, who said Alfonsin is surrounded by "good-for-nothing technocrats."

LABOR MINISTER ALDERETE ON WAGE HIKE, STRIKES

PY042111 Buenos Aires BUENOS AIRES HERALD in English 4 Aug 87 p 11

[Text] (NA-DYN) -- Labour Minister Carlos Alderete assured the General Labour Confederation (CGT) last night that wage hikes for August would stem from wage bargaining talks and would not be seven percent as reported in some dailies, CGT secretary general Saul Ubaldini said.

Ubaldini said the decree authorizing the wage bargaining talks would be made public by the Labour Ministry today and the talks would be called before the end of the week.

He said a committee would be set up with representatives of the government, employers and workers which would only go into action if the bargaining talks failed to reach agreement.

On the strike front, non-professional workers in state-run hospitals walked out on a 72-hour strike today while three of the five labour unions operating in the Austral airline who staged a 24-hour strike on Sunday said they were still in conflict with the company although flights were back to normal yesterday.

The main railway union Union Ferroviaria (UF) was also threatening strike action as to press wage demands but said it would seek a meeting with authorities as a last resort to find a solution to their claims.

Labour unions grouping some 16,000 workers in state hospitals throughout Argentina said the strike was nationwide but that services would be ensured by skeleton staffs in all hospitals except the Borda and Moyano neuropsychiatric hospitals.

The austral workers said they staged the strike on Sunday because of what they described as unacceptable pressure by the airline which they said offered to meet their wage demands if the workers gave up some labour union rights.

UF secretary-general Raul Ravitti said an interview would be sought with Labour Secretary Horacio Diaz Hermelo and Economy Ministry Technical Secretary Jorge Gandara in a last bid to reach an agreement on wage claims before resorting to strike action.

Labour sources said the UF, which was already staging a work-to-rule affecting freight traffic, could start striking as from next Monday.

In Cordoba, workers at the Renault can plant decided to call off as from today stop pages of two hours per shift they were staging yesterday after the provincial labour department ordered mandatory conciliatory talks between the workers and the company.

The workers are demanding a 20 percent increase back-dated to July and monthly hikes in line with the rate of inflation.

They said although the stoppages were called off they would not work overtime until a wage agreement had been reached with the company.

Non-academic personnel at the 26 state universities yesterday reached agreement with the Economy and Education Ministries granting them wage increases ranging from 59.81 to 131.07 australs per month.

But academic personnel at 11 universities went on strike yesterday to demand wage increases ranging from 40 to 140 percent.

ATOMIC COMMISSION GETS FUNDING FOR PROJECTS

PY300318 Buenos Aires TELAM in Spanish 0128 GMT 30 Jul 87

[Text] Buenos Aires, 29 Jul (TELAM) -- The National Commission for Atomic Energy (CNEA) will be able to continue with its main projects, such as the Atucha II nuclear plant, the Arroyito Heavy Water Plant (PIAP), and the Tandar Particle Accelerator, due to an agreement reached with Economy Ministry officials for the appropriation of funds for the remainder of this year and 1988.

This announcement was made tonight by CNEA President Ema Perez Ferreira during a news conference that was attended by local industralists and nuclear energy researchers.

Ema Perez Ferreira said that the talks with the Economy Ministry were difficult, but ultimately successful because an agreement in principle was reached with the companies under contract with the CNEA, which have not been paid since early this year, and also with the low-income technical personnel.

A consultative council, which was created at the suggestion of President Alfonsin and includes representatives of various sectors of the nuclear industry, is discussing not only salaries but also institutional aspects, such as the need to search for genuine resources. Contacts with the Foreign Ministry, through which the cooperation and international trade agreements are made, have also been resumed.

Perez Ferreira labeled as nonsense, charges that the visit by Brazilian President Jose Sarney to the nuclear laboratory in Bariloche resulted in technological secrets, obtained with research paid for by taxpayers, being handed over.

Perez Ferreira said some people prefer making absurd statements -- it is impossible to get information on the gas fusion technique in such a short time -- instead of emphasizing the peaceful use of the uranium enrichment technology and the fact that the international community respects the integrity and coherence of our programs, the quality of production, and the security of Argentina's nuclear installations.

NUCLEAR TECHNOLOGY EXCHANGE WITH URUGUAY

PY311932 Buenos Aires DYN in Spanish 0326 GMT 31 Jul 87

[Excerpt] Buenos Aires, 30 Jul (DYN) -- The Argentine Foreign Ministry has reported that Argentine and Uruguayan diplomats yesterday launched a program for the exchange of information on nuclear affairs and disarmament.

The Argentine Foreign Ministry also announced the program will include lectures on the organization and activities of the department that handles nuclear and disarmament issues, and on the main aspects and objectives of Argentina's foreign policy pertaining to international nuclear affairs.

The Argentine position regarding international treaties, such as the Non Proliferation Treaty [NPT], the Tlaltelolco Treaty, the Argentine-Brazilian nuclear agreement and the Argentine policy on nuclear exports, were addressed in-depth.

The various aspects of the policy on disarmament and international security will be analyzed, especially Argentina's participation in the peace and disarmament initiative of six nations (Group of Six). The meeting began yesterday and will end tomorrow. [passage omitted]

CENTRAL BANK IMPLEMENTS NEW ECONOMIC MEASURES

PY032309 Buenos Aires BUENOS AIRES HERALD in English 1 Aug 87 p 1

[Text] (DYN) -- The Central Bank yesterday increased regulated interest rates by one percentage point, as of Monday.

They also set a new encashment requirement of two percent over impositions on free rates, according to which new minimum deposit amounts will also be established.

The new interest rates are: 7 to 14-day deposits, 8.1 percent monthly; 15 to 22 days, 8.2 percent; 23 to 29 days, 8.3 percent, and for 30 and over, 8.5 percent.

For regular savings accounts the new interest rate was set at 8 percent -- the former rate was 7 percent -- while for special savings accounts the rate was increased to 8.4 percent monthly.

The Central Bank also determined new minimum accounts for deposits at free rates: seven to 14 days, 17,500 australs -- the previous requirement was of 15,500 australs -- 15 to 29-day deposits, 10,500 australs (9,500 previously) and, 30 days and over, 6,000 australs (the previous minimum requirement was of 6,500).

The new set of measures is a further move by the government in its bid to control inflation, which this month is estimated at 10 percent.

These measures were actually announced by Economy Minister Juan Sourrouille last week, and basically aimed at reducing the fiscal and balance of payments' deficit.

WORLD BANK LOANS $500 MILLION TO HELP EXPORTS

PY311420 Buenos Aires Domestic Service in Spanish 0200 GMT 31 Jul 87

[Text] The World Bank has granted our country a $500 million loan that will be used to promote and diversify our exports.

According to the explanation given, this loan is part of the $1 billion granted and approved in May 1987 by the World Bank and the private banking sector to help reform the Argentine export sector.

JAPAN MAY MAKE FINANCIAL ASSISTANCE AVAILABLE

PY042034 Buenos Aires TELAM in Spanish 1452 GMT 4 Aug 87

[Text] Buenos Aires, 4 Aug (TELAM) -- Argentine Foreign Minister Dante Caputo and Japanese Foreign Minister Tadashi Gornari have agreed Argentina stands a good chance of receiving some of the financial resources to be given to developing countries by Japan under their policy of recycling funds.

Caputo made this disclosure in Tokyo on the National News program aired by Argentina Televisora Color. He added that during his meeting with Prime Minister Yasuhiro Nakasone, they talked about bilateral relations and Japan's political and economic initiatives at the international level. Caputo said the expression of agreement is significant because it facilitates those initiatives he and Nakasone talked about.

The Argentine foreign minister mentioned the possibility that Economy Minister Juan Sourrouille may visit Japan. This is being considered within the context of such initiatives.

Finally, Caputo said the topic of the developing countries' foreign debt was extensively discussed during the meetings.

ACTIVITIES IN OIL FIELDS RETURNING TO NORMAL

PY031326 La Paz Red Panamericana in Spanish 1130 GMT 3 Aug 87

[Text] Following the agreement signed between executive members of the Bolivian Government Oil Deposits [YPFB] and labor union leaders, the oil workers who had gathered in the cities and regional union offices due to the strike returned to the oil fields yesterday afternoon.

According to reports received from Santa Cruz, Sucre, Cochabamba, and Camiri, activities are returning to normal both at refineries and oil wells. Military troops are expected to withdraw in the next few hours from the YPFB installations where they had been deployed.

The government reported through official sources that as a result of the agreement signed with oil workers leaders the YPFB has guaranteed the supply of fuel and the resumption of administrative, production, research, refining, and marketing activities.

WORKERS RALLY IN LA PAZ, CRITICIZE GOVERNMENT

PY312328 La Paz La Red Panamericana in Spanish 1130 GMT 31 Jul 87

[Excerpt] As scheduled, workers yesterday staged a march in La Paz. The Bolivian Labor Confederation [COB] organized a mass rally by about 45,000 people, who marched down the main streets of La Paz chanting slogans against the government and its policies.

The main speakers at the rally all defended the state companies, the exploitation of raw materials, and public education. The speakers were Irineu Ortigoza, El Alto neighborhood organization representative; Jose Vallejo from the Single Trade Union Confederation of Bolivian Peasant Workers; Sergio Gallardo, rural teachers leader; Alberto Soto from the oil workers federation; Pedro Rubin De Seris from the urban teachers confederation; and Simon Reyes Rivera, COB leader. [passage omitted]

CENTRAL BANK PRESIDENT ON 'FLIGHT' OF CAPITAL

PY042022 Madrid EFE in Spanish 0429 GMT 4 Aug 87

[Text] La Paz, 3 Aug (EFE) -- Javier Nogales, president of the Central Bank of Bolivia, said today that approximately $2 billion have been taken out of the country over the last 8 years. This capital was transferred abroad because of the economic policies applied between 1979 and 1985.

According to Nogales, more than $2 billion went abroad in that period through banks and other financial institutions operating in Bolivia. Nogales also reported that another reason for this "flight" of capital was the low interest rates of the local banks. The capital that went abroad was obtained from credits contracted abroad to execute development projects, loans which are now part of Bolivia's foreign debt, which exceeds $3.6 billion.

Finally, Nogales said that over the last 2 years, the flight of capital from Bolvia has stopped "thanks to an economic policy which guarantees monetary stability and fosters the people's confidence."

JAPANESE SEEK TO EXCLUDE IMF FROM DEBT NEGOTIATIONS

PY041624 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 4 Aug 87

[Text] The Japanese Government and Japanese bankers want to discuss the Brazilian foreign debt without IMF intervention.

According to Yoshiaki Nakano, special secretary for economic affairs of the Finance Ministry, the Japanese Government and Japanese bankers have also suggested creating an international commission for cooperating in the negotiation of the Brazilian foreign debt.

[Begin Nakano recording] It has become quite clear that the Japanese are fairly flexible and are willing to discuss an alternative that does not include the IMF. They even suggested the creation of an international commission for coordinating debt negotiations with the participation of creditor countries. Such a commission could replace the IMF; others believe the World Bank could play that role. [end recording]

Nakano also said that it is quite clear the Japanese want to avoid a confrontation with other banks, and with the United States.

GOVERNMENT FAVORS NATIONAL SECURITY LAW

PY011848 Sao Paulo Radio Bandeirantes in Portuguese 1600 GMT 1 Aug 87

[Text] Presidential Spokesman Frota Neto said the federal government is against the repeal of the national security law. Frota Neto said the mere repeal of the law is not enough. He added that it must be replaced by an equally rigorous and effective law.

Frota Neto said modern states demand efficient defense mechanisms to protect themselves against radical groups. He added that without the national security law, the government would be defenseless.

PRICE FLEXIBILITY STAGE SET FOR 12 AUG

PY011722 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 1 Aug 87

[Excerpts] Ricardo Santiago, secretary general of the Special Secretariat of Price Administration [SEAP], has reported that the stage of flexibility will start on 12 August, and the government will not allow increases in excess of 10 percent. He added that price flexibility will not mean the unfreezing of prices. [passage omitted]

Ricardo Santiago also said decisions on the amount prices should be increased will be decentralized, as in the case of school tuitions, which will be established by the state education councils. [passage omitted]

Planalto Palace spokesman Frota Neto said the government has not established a date for unfreezing prices, and intends to continue controlling prices.

CHRISTIAN DEMOCRATIC PARTY ON NEW STRATEGY

PY042223 Madrid EFE in Spanish 1614 GMT 3 Aug 87

[Text] Santiago de Chile, 3 Aug (EFE) -- The National Council of the Chilean Christian Democratic Party (PDC) has elected former Senator Patricio Alwyn as its new president and outlined its political strategy for the next 2 years.

An outstanding aspect of this new political strategy is the decision to comply with the law on political parties enacted by General Augusto Pinochet's military regime. The 240 delegates to the council, who have been elected by more than 25,000 PDC members from all over the country, also appointed the new party Executive Board.

The new vice presidents are: former Senator Francisco Irureta; former Minister Andres Zaldivar; and a former rector of the University of Chile, Edgardo Boeninger. Lawyer Guttemberg Martinez was appointed secretary general.

Alwyn's program received the support of 55 percent of the delegates. The so-called "Progressive" Faction, headed by former Deputy Ricardo Hormazabal, obtained 40 percent of the votes and only 5 percent of the delegates voted for Arturo Frei.

The council agreed to "begin the process of party registration and to empower the Executive Board to freely decide the terms and timetables for carrying out subsequent steps."

The registration of the PDC, which Alwyn advocated during his 3-month campaign, had been firmly opposed by Hormazabal on the grounds that the laws of the current regime are not valid. Hormazabal claimed the registration would be tantamount to betraying the party's struggle against the regime. Although the two PDC factions did not arrive at an agreement, the PDC council decided to go ahead with the social mobilization as proposed by Alwyn.

Social mobilization was not rejected as long as it remained a "peaceful and organized defense of the rights of the various social sectors," but "political and electoral mobilization was given priority." This "political and electoral mobilization" proposes "the convergence of all democratic forces in the quest for a national and popular government by means of a common program and a common candidate who is capable of leading the movement and who would represent an alternative to General Pinochet."

The core of the new PDC strategy will be the party's active participation in the campaign for free elections and for the registration of as many Chileans as possible in the elections.

Alwyn's political program, approved by an overwhelming majority, calls "upon the patriotism of the Armed Forces, urging them to promote the constitutional reforms that are essential if Chile is to have competitive elections instead of a plesbicite" (to designate new president in 1989).

According to the PDC, however, a reform would not be enough and the elections "will have to be absolutely free and honest, with no exceptional laws. All sections "should be granted equal television time, and the legality of the elections should be guaranteed through the appropriate control mechanisms." The PDC believes the constitutional reform they propose is "the only way for the Armed Forces to guarantee the legality of the process without involving themselves in it, and thus running the risk of being defeated -- a situation which would harm themselves and the country."

COLORADO PARTY EXECUTIVE BOARD INSTALLED

PY041308 [Editorial Report] Asuncion Red Privada de Television in Spanish at 2100 on 3 August 1987 carries live from Colorado Party Headquarters in Asuncion the ordinary session at which the new Colorado Party Executive Board is installed. The new board comprises Interior Minister Sabino Montanaro, Health Minister Adan Godoy Gimenez, Presidential Secretary Mario Abdo Benitez, and Labor Minister J. Eugenio Jacquet.

The session, chaired by Paraguayan President Alfredo Stroessner, is attended by top-ranking government and congressional officials and representatives of the three brnaches of the Armed Forces, including Army General Andres Rodriguez and Air Force Colonel Gustavo Stroessner. The session opens with the singing of the national anthem, the Colorado Party anthem, and a song honoring President Stroessner.

In keeping with party statutes, Convention Chairman Ramon Enrique Reverchon authorizes Senate Majoity Leader Ezequiel Gonzalez Alsina to address the session. At 2129 GMT, Gonzalez Alsina begins speaking. After thanking high-ranking officials for their presence, he expresses satisfaction with Stroessner's attendance saying: "These are times when we must sincerely express our belief. We have always talked about the people but frequently when the time came to carry out the will of the people we have failed them." Gonzalez says: "We have always talked about the solidarity and unity of the people with the government and the Armed Forces, but whenever possible we have expressed our mistrust, our resentment, and our (?insincerity)." Gonzalez Alsina adds that, under Stroessner's leadership, however, Paraguayans have been able to achieve harmony, understanding, and peace between the Armed Forces and the people.

He goes on to say "this is the true meaning of the presence of the man who in keeping with the Constitution is the president of the Republic and commander in chief of the Armed Forces." He holds these two positions in keeping with the Constitution and therefore, no one can strip him of his investiture. Gonzalez Alsina adds: This is the true value of the president's presence -- that he is here in his capacity as citizen, commander in chief of the Armed Forces, president, and a Colorado party member.

After stating that all party members are striving to overcome misunderstandings and selfish attitudes, he says that under President Stroessner's leadership the Colorado Party will be able to achieve party unity and hand over the leadership to new generations of Colorados.

Gonzalez Alsina then praises the democratic manner in which the Colorado Party convention was carried out under the chairmanship of Ramon Enrique Reverchon and reasserts that for the first time in many years, Colorado party conventioneers elected the new Executive Board through secret ballots in an atmosphere of political plurality,

He then moves in keeping with the people's mandate, that Interior Minister Sabino Montanaro become chairman of the new Colorado Party Executive Board, as head of the winning Colorado Party slate comprising Health Minister Adan Godoy Gimenez, Presidential Secretary Mario Abdo Benitez, and Labor Secretary J. Eugenio Jacquet, who will be vice chairman of the Executive Board.

After speaking for 15 minutes, he says that unlike the recent past, the will of the Colorado Party grassroots will now be respected. He proposes the assembly proclaim Montanaro as chairman of the new Executive Board by acclamation. In keeping with Gonzalez Alsina's motion, Convention Chairman Reverchon asks those present to raise their hands if they approve. Immediately afterward, Reverchon proclaims Montanaro chairman of the Executive Board by acclamation.

At the invitation of Reverchon, Montanaro mounts the podium to the applause of the conventioneers, and Reverchon installs him as chairman of the Executive Board. Reverchon then hands over the chairmanship of the assembly to Montanaro.

After being congratulated by those present and embraced by President Stroessner, Montanaro delivers an 8-minute speech where he says that he and his running mates are here to serve the Colorado people, including peasants, farmers, students, and women, and to expand the doctrines ad principles of the Colorado Party.

After reasserting that he will work for all Colorados, he says: "To those who are absent, who temporarily fled from a democratic confrontation, we say that we are not moved by hatred or vengeance. We say to them that we are moved by a deep sense of patriotism and strong party convictions."

Montanaro ends his speech by saying that it is the Colorado Party that won, adding: "From now on, the Colorado Party, under its honorary president, General Stroessner, will be led by an Executive Board made up of 35 full members and 16 alternate members, who are loyal in every sense of the word to the Party and the government." Montanaro finishes his speech to the applause of the assembly and is again embraced by President Stroessner.

Immediately afterward and in keeping with statutes, Montanaro says that members of the ordinary session must propose the names of the three vice chairmen. He then yields the floor to Conventioneer Martin Chiola, who in a 10-minute speech proposes that Health Minister Adan Godoy be elected first vice chairman, Presidential Secretary Mario Abdo Benitez be elected second vice chairman, and Labor Minister J. Eugenio Jacquet be elected third vice chairman of the Colorado Party Executive Board.

Montanaro asks those present to raise their hands if they agree with this motion. After an affirmative vote, Montanaro approves the motion and announces the election of Godoy Gimenez, Abdo Benitez, and Jacquet as vice chairmen of the Executive Board amid the applause of the audience. Godoy Gimenez, Abdo Benitez, and Jacquet deliver speeches acknowledging their election and thanking Colorado Party members for their support.

Montanaro then requests that Finance Minister Cesar Barrientos nominate two members for the posts of treasurer and alternate treasurer. In his 6-minute speech, Barrientos nominates General Marcial Samaniego, retired, and Deputy Silvio Meza Britez for treasurer and alternate treasurer. Montanaro submits these nominations and they are approved.

In keeping with party statues, Montanaro asks a conventioneer to nominte these political secretaries to the Executive Board and yields the floor to Deputy Lopez Gimenez who makes the nomination. Montanaro then appoints Martin Chiola, Ramon Enrique Reverchon, and Education Minister Carlos Ortiz Ramirez as political secretaries of the Colorado Party Executive Board.

Montanaro again addresses the session, saying that the main objective of this ordinary session, the installation of the new Colorado Party Executive Board, has been fulfilled. He declares the session closed and thanks President Stroessner for his presence. President Stroessner is shown leaving the room at 2244 GMT along with other high-ranking party and government officials. Television and radio coverage ends at 2245 GMT.

U.S. ENVOY REPORTEDLY BEHIND PARTY SPLIT

PY031900 Asuncion PATRIA in Spanish 3 Aug 87 p 9

[Article by Gil Gonzalez: "From White to Taylor"]

[Text] As a Latin dictum says, "principas obsta, sero medicina paratur," which means fight the symptoms, the beginning, or the medicine will be administered too late.

Now that the electoral process of our party has ended at a Convention where the will of the people was represented by their legitimate representatives, who in unprecedented numbers and in the most resolute manner reasserted their rights vis-a-vis a notorious minority, it is appropriate to sound an alert about the true motives that may have been behind the reckless, immoderate, and impudent attitudes that have lately been observed in the political arena. Such an attitude was also flaunted by those who walked out of the democratic contest only to mount a campaign against the police, with the assistance of a strong domestic and foreign journalistic apparatus. This has been done against police forces that can only be blamed for firmly enforcing public order to prevent any possible commotion, more so when groups of rowdies with no accreditation as conventioneers had been mobilized with the intention of disrupting the normal proceedings of the convention.

A wise aphorism says to a rudderless boat, all winds are unfair. We are glad such a situation in the party will henceforth be overcome. A diagnosis is necessary to determine the correct therapy for a physical ailment, and a diagnosis is just as necessary in the political arena to lay down a program leading to correct actions. To really understand the nation's political reality, a point of reference seems not only revealing but indispensable. That point is the interventionist task performed in our country by the mentor and godfather of the National Accord, the well-known communist agent [former U.S. Ambassador] Robert White. He had advised that "the Colorado Party must be divided. Otherwise, the objective would be unattainable." And how to divide the Colorado Party? He gave this formula: We must incite the personal ambitions of party members, instigate rivalries, plant in party members the idea that loyalty to the highest party leader is a cult of personality that is harmful to the party, and instill in the youth noncomformist ideas that might be attractive to the new generations of Colorados. But, Mr Ambassador, those youths will be immediately purged from the party... No, that will not happen, because the attitude of some party members who have been won over to our cause will create in others a doubt, will serve as a counterweight for leaders of stronger character...

And how should this process be expanded?... To expand is not all that difficult once a bridgehead has been established. By a process of contagion, the bridgehead will be expanded. And if the official reaction is somewhat harsh? Everything has been properly planned to the last detail. Any peaceful or violent action on the nonofficial side will be supported by a formidable domestic and foreign journalistic apparatus that will depict as repressive any action by the government in defense of its interests.

All official action will be described as repression, brutality, bestiality, an outrage, an attack on freedom, etc. The university must be the first objective. There the student associations must be captured one by one. And if those associations are ruled by loyal Colorados? Well, that can be changed. That will be the mission of [Ambassador White's] youths who will be called principled as opposed to those who are committed to President Stroessner. Was a conversation actually held in these terms? We cannot say for sure. But we can say the general strategy for this destabilizing process was laid down in that way. We do not have the slightest doubt, because the results are there to be seen. After Mr White, came Mr Taylor, following along the same lines. We knew Mr White's background as an agitator and expert in subversion. Mr Taylor was introduced as an expert in drug traffic control. Both Mr White and Mr Taylor are cut from the same fabric, instruments of a U.S. Congress decidedly tilted to the left. This is a U.S. Congress that rather than championing democracy in the world is helping to undermine democracy. Rather than affirming freedom it is tying it up and leaving it to the mercy of the more adventurous -- and who can doubt that the Marxists are always the most audacious?

Approaches made to members of our movement within the Colorado Party during the campaign leading to the Convention, expressions of solidarity and support taken to the house of the capitulating president of the party's Convention, and distorted and uniformly worded reports in the opposition media like Radio Caritas and an irresponsible media network are in fact symptoms, and did not happen by chance. In politics, nothing happens by chance, only by design. The strategic maneuvers soon to be staged by those who walked out of the party's convention -- maneuvers that can fortunately be anticipated and foreseen -- will tell much more, and will certainly confirm that a plan is under way. Whether some are aware of this plan or not, and whether some are embarked on this plan or not, is another matter. Well, in politics one must work with realities, not with illusions. Therefore, the politicians who have emerged from the popular masses to assume party responsibilities with the support of an undeniable majority have ahead of them the difficult task of implementing an intelligent and structured policy. Good judgment must be exercised today more than ever. We have said before that judgment must be an institutional, not necessarily an individual, attribute.

Nobody should be alarmed. As long as the party's leadership is backed by the legitimacy of the people's will, everything is O.K. The fact that some names we have grown accustomed to are missing does not affect the institution. Here, the only indispensable man is President Stroessner. The Paraguayan people by an overwhelming majority have pronounced him to be an exceptional and proven leader like our nation has never seen before. We owe him not only the peace and modern juridical structure we have, but the formidable spiritual and material development we have achieved in only 30 years -- a very short time for a country that before Stroessner came to power experienced a totally different and deplorable reality.

Our mission is to continue providing for the needs of the people, working under the leadership of President Stroessner. He can now rely on the new governing board of the Colorado Party to help him in the task of governing, together with a strong party -- not a conglomerate where people loyal to him were at war with potential betrayers. We know our situation is quite different from that of Marcos' Philippines, Somoza's Nicaragua, Duvalier's Haiti, and the Shah's Iran, because here there exists an unquestionably democratic and popular support. But let us at no time forget the despicable and ill-advised attitudes of those who arrogate for themselves the role of leaders of the world, but -- rather than fostering freedom -- are laying the foundations for the kingdom of communist oppression.

FURTHER REPORTAGE ON BANK NATIONALIZATION PROCESS

Saberbein Discusses

PA041420 Lima Television Peruana in Spanish 0100 GMT 4 Aug 87

[Text] Economy Minister Gustavo Saberbein has asserted that government control of 10 banks will continue until the Supreme Court solves the conflict about two contradictory rulings issued concerning the nationalization process.

[Begin recording] [Saberbein] I want to say that the nationalization measures decreed by the government in Decree 158-87EF for the control of banks, finance companies, and insurance companies are still completely in effect for the following reasons: First, and you are well aware of this, on 30 July the Economy and Finance Ministry was notified about the resolution that was issued by the 18th Civil Court of Lima, which issued a ruling turning down the suspension request filed by a finance company stockholder. Today, as reported by the news media during the last 2 days, the Economy and Finance Ministry was notified by the 20th Civil Court -- also in Lima -- that the actions stated in Decree 158-87EF should be suggested until a definite ruling is issued. Three, [as heard] given these two contradictory legal rulings, the government has decided to request that these two actions be combined so a single legal viewpoint is reached, since we are talking about the same issue. Likewise, and in accordance with the law, the government has decided to appeal the ruling issued by the 20th Civil Court of Lima because the government considers that its position is protected by the Constitution and laws. Like I said, the notification has been received but the resolution will not be considered until the end of the 3-day period allowed by law. In other words, the resolution will not be enforced. To conclude, the government reasserts that it respects legal decisions and will abide by the Supreme Court's resolution. In the meantime, the administering committees appointed by the government will continue to control and guarantee the normal operations of the national financial enterprises that the government seized.

[Reporter] What actions will the government take concerning the statements of certain bank owners -- the Credit Bank, the [name indistinct] Bank, the Merchant Bank -- who have gone to their offices?

[Saberbein] Well, referring to the banks in general, we have had a few cases [of that happening]. I have just telephoned the president of the Merchant Bank's administering commission and availed myself of the confidence and cordial relations we had with former directors. I learned that the bank's former president entered the premises and issued some statements. However, I talked with Eng Armando Nulfo and he is at the Merchant Bank with the two other persons on his administering committee.

[Reporter] Mr Pardo say he will again take control as head of the board of directors. They have even met...

[Saberbein, interrupting] Well, those actions are useless. We understand they are trying to carry out some actions by using force, but we do not want to counter with force. Quite the contrary, we are trying to settle this in the most humane way possible. We will wait until higher legal authorities settle the issue, but the control process continues -- as a precautionary measure and to prevent any erroneous handling that goes against the banks' interests -- while the authorities analyze the law that nationalizes and expropriates those banks.

[Reporter] Mr Minister, if the government is [word indistinct] the banks and the commissions have taken control, why have the owners been allowed to enter the banks?

[Saberbein] Well, that is what I call an abuse of trust. We said on Friday that the administering committees had arrived but did not request the use of the board of directors' offices or the general managers' offices. Quite the contrary, they have requested smaller offices to avoid interfering with the banks' daily activities, and to serenely and honorably show that the banks will continue working with the same efficiency and in the same manner -- until Congress reaches a decision. The administering commissions have approved the general managers -- except at the Credit Bank -- and have given them their vote of confidence. This is why the banks continue to work normally. Only a few banks have tried to imply that something else is taking place. I would like to tell you that the administering committees have the banks' records and if anyone tries to do something the actions will be legally nullified.

[Reporter] Mr Minister, what about the Arequipa and Piura banks' national activities?

[Saberbein] The banks' activities continue as normal. I have just received a report from Arequipa. I am told the Southern Bank's control committee was appointed today; they have already entered the premises and were welcomed by the clients. They found a damaged computer but will try to repair it as soon as possible. We believe this was an attempt to disrupt the Southern Bank's operations but the Southern Bank control committee has already been appointed -- and the clients welcomed them. The control committee members entered the premises amidst a round of applause. [end recording]

Wagner Refutes Reports

PA041540 Lima Television Peruana in Spanish 0100 GMT 4 Aug 87

[Excerpt] Foreign Minister Allan Wagner Tizon asserted today that Peru has not been isolated as a result of the government's decision to nationalize private banks.

[Begin recording] [Unidentified reporter] Referring to the government's recent measures to nationalize private banks, it is reported that our country has been isolated. Can you, as the government's representative in the diplomatic sector, say if this report is true?

[Wagner] That report is groundless. In fact we have information that international banks that had credit lines with some of the banks that are currently seized -- and that might eventually be expropriated as a result of the Congress' decision on the issue -- have reasserted their interest in maintaining those credit lines. They also hope the authorities will confirm the current credit lines so the foreign companies may continue to operate normally. [end recording]

Government To Continue Process

PA041835 Lima Domestic Service in Spanish 1730 GMT 4 Aug 87

[Text] The government has reiterated its decision to continue the process to nationalize the banks, financial companies, and insurance companies.

In an official communique, the Economy and Finance Ministry noted that the measures to take control of the banks and all their effects continue. The document also indicated that the government respects the law. It added that it will abide by the resolution of a superior court in view of a discrepancy in the ruling of the lower courts. The official communique said the administration committees appointed by the government will meanwhile continue to control and guarantee the normal operations of financial institutions that were seized.

DOLLAR EXCHANGE OPERATIONS RESUME 3 AUG

PA041818 Madrid EFE in Spanish 1922 GMT 2 Aug 87

[Text] Lima, 2 Aug (EFE) -- It was reported today in Lima that dollar exchange operations, suspended since 28 July at the government's instructions, will resume tomorrow in all of Peru's banks and financial firms.

The Central Reserve Bank (BCR) had imposed the measure to establish a new exchange system whereby the dollar exchange rate was fixed at 37 intis for tourist travel outside of Peru. The same exchange rate will stand for the redemption in national currency of bank certificates issued in foreign currency. Until 24 July, these certificates were redeemed at 16.41 intis to the dollar, making the increase 125.2 percent. The BCR held the price of the dollar at the Sole Exchange Market (MUC) at the rate it had on 24 July; that is, 15.85 intis to buy and 15.93 to sell.

During his annual address to the Congress on 28 July, Peruvian President Alan Garcia ordered the permanent closure of exchange houses and banned the street sale of dollars, announcing that only banks will handle currency exchange operations.

On 27 July, the Peruvian Government closed banks, and they remained closed for a longer period because of the 2 days of independence festivities. The government then announced that the BCR had established a new exchange system, and operations would resume once it was in force; that is, beginning tomorrow. Before these measures were imposed, the dollar rate fluctuated between 24 and 26 intis, while it was offered at a rate between 40 and 45 intis on the black market Lima Ocona Street downtown. The police are now clamping down on unauthorized dealers, who are being arrested and their dollars confiscated.

During the address marking his 2d anniversary in office, Garcia also announced the seizure and ultimate nationalization of the country's financial and banking system. The private sector has reacted strongly against this decision, and the bank association succeeded in having a Lima judge accept a writ of amparo against the state seizure, ordering its suspension.

Bankers said they hope the government "will abide by and enforce" that legal decision, while Economy and Finance Minister Gustavo Saberbein said he had received no information on this matter.

Meanwhile, President Garcia said the seizure and nationalization of the financial and banking system, for which he has submitted a bill to Congress, where the ruling APRA [American Popular Revolutionary Alliance] party has a majority, "is irreversible to benefit Peru's poorest people."

LUSINCHI SIGNS DECREE FOR NEW RADIO PROJECT

PA030235 Caracas EL UNIVERSAL in Spanish 21 Jul 87 p 1-23

["Text" of "Presidential Decree No 1653" signed by President Jaime Lusinchi on 14 July in Caracas]

[Text] President Jaime Lusinchi, exercising the powers granted by points 1 and 12 of Article 190 of the Constitution, in agreement with Article 1 of the Telecommunications Law, in Council of Ministers.

Decrees:

Article 1 -- The project called "The Voice of Venezuela" [La Voz de Venezuela], which consists of the installation and placement into service of a high power radio station and which the national executive, through the Ministry of the Secretariat of the Presidency, and the National Telephone Company of Venezuela [CANTV] have been undertaking in a coordinated manner, will from now on be executed exclusively by the CANTV.

Article 2 -- The minister of the Secretariat of the Presidency will take the necessary measures so the assets and credits obtained by the Republic for "The Voice of Venezuela" project will be transferred to the CANTV.

Article 3 -- The transport and communications minister will adopt the necessary measures so the CANTV will carry out the project mentioned in the previous articles, in accordance with the social statutes that are in effect.

Article 4 -- The budget laws for the next fiscal years will allocate to the CANTV the resources it might need to fully carry out the aforementioned project.

Article 5 -- Once the radio station to which Article 1 refers is installed, the Transport and Communications Ministry, after the fulfillment of the legal formalities, will grant the corresponding permit for the operation of this radio station to the institution that the national executive indicates.

Article 6 -- The transport and communications minister and the minister of the Secretariat of the Presidency will be in charge of the implementation of this decree.

Issued in Caracas on 14 July 1987, 117th year of independence and 128th year of the federation.

Jaime Lusinchi

CHURCH GROUP QUESTIONS ROLE OF MILITARY

PM041231 Amsterdam DE VOLKSKRANT in Dutch 27 Jul 87 p 3

[Wim Noordegraaf dispatch: "Church Group Wants Less Power for Surinamese Military"]

[Text] Paramaribo -- Surinamers with ties to the church and united in the Organization for Justice and Peace have put the Surinamese Government in a difficult position by publicly urging a reduction in the role of the Army. They consider that the military would leave too heavy a stamp on Suriname after the referendum. In a two-page advertisement in the DE WEST daily they have proposed a number of changes to the draft constitution.

"The constitution will only be acceptable if the role of the Army is restricted to defending Suriname's sovereignty and territory," the organization says in its statement on proposed changes. The group has also submitted its proposals to the chairman of the National Assembly. The referendum on the draft constitution will be held 30 September.

The Organization for Justice and Peace was formed by Surinamers who in the last few years have chiefly arranged church services and vigils. The organization has responded to the National Assembly's invitation to "become involved in the thinking and decisionmaking process" surrounding the draft constitution. The group wants to exclude the military authorities from government and make them subordinate to the Army and police minister.

The organization's church background is also clear from its proposals that the role of special education be defined in the constitution and that "the state be bound to make possible the public practice of faith by church members."

Behind closed doors the old political parties, trade unions, industry and commerce, and the military reached agreement that the draft constitution is the best compromise that can be reached at the present time. But by raising the issue of the position of the military in the Council of State which will assist the future president, the organization is making a direct attack on Army leader Bouterse's possible ambitions to take a seat on the Council of State as a representative of the "military authorities" if he is not elected president.

As well as their criticism of the influence of the military -- according to the organization the sentence: "The National Army is the vanguard of the people" should be removed from the draft constitution -- the group responsible for the proposed changes also wishes to prevent the introduction of the district system [proposed rules that those running for election in a particular district must be resident in it].

This is the second basis of the optimism with which Bouterse's National Democratic Party is entering the elections. Party circles judge that support for the old political parties is not great outside Paramaribo and that "VROM" [expansion unknown] as the grouping of the old political parties is calling itself, will have great difficulty in finding suitable candidates to run for the provincial district seats in the National Assembly which the old political parties will have to win.

Now that almost everybody is expecting the November elections to take place, small parties from the period before the 1980 coup are being re-formed one after another. Some of these are immediately being merged triumphantly with Bouterse's National Democratic Party. Next Sunday the first great test of strength will take place in the heart of Paramaribo, where the three old political parties under the common name of the "Front for Democracy and Development" will hold a mass meeting.

LAUNCHING OF UNITED FRONT ANNOUNCED FOR 2 AUG

FL311900 Paramaribo International Service in English 1730 GMT 31 Jul 87

[Text] The request by the united division of political parties -- VHP [United Reformist Party], NPS [Suriname National Party], and KTPI [Indonesian Peasant's Party] -- to organize a mass meeting in the center of Paramaribo was rejected. Coming Sunday, [2 August] the three political parties will proclaim their United Front for Democracy and Development which will contest the upcoming general election. The location they initially chose for the launching was found unfit by the authorities who want to prevent meetings on public roads. It was then decided to have the mass meeting on the grounds of the trade union federation De Moederbond and the political party VHP.

80,000 Attend Rally

FL041226 Bonaire Trans World Radio in English 1130 GMT 4 Aug 87

[Text] In Paramaribo, 80,000 people gathered at a rally to launch a political alliance opposed to the Surinamese Government. The three-party Front for Democracy and Development was launched on Sunday at a meeting ground under clear skies and a sea of flags in the traditional party colors. The parties will oppose the military government of Lieutenant Colonel Desi Bouterse in November elections which will be the first since 1977.

Army Urges End To Cooperation

FL041908 Paramaribo International Service in English 1730 GMT 4 Aug 87

[Text] The regular army officers feel threatened and humiliated by statements made last Sunday by the leaders of the three traditional political parties, the VHP, NPS, and the KTPI.

The army has demanded that the cooperation between the military authority and these political parties in the top deliberating council be immediately stopped. That demand was contained in a petition presented to Commander Bouterse yesterday afternoon in the (Memribooko) barricks.

According to the military, it is clear that the old political parties have chosen the road of what they called resentment, hatred between brother, discord, and humiliation of especially the national army. For this reason the commander was urgently requested to spare no efforts in erasing the anxiety in the national army and to maintain stability in the country by, among other things, breaking the cooperation with the traditional political parties.

Commander Bouterse has asked the national army for a 24-hour stand to reflect on the request to break the cooperation with the traditional political parties in the top deliberating council. He said he himself was also disappointed with the old politicians for presenting the social and economic problems of the country to the public in a distorted manner.

The army's even given the idea that it has caused all problems in the country in the last 300 years, said Bouterse.

He says he needs time to reflect, to be able to look at the consequences and not act irresponsibly. The chairman of the top deliberating council says he will furthermore call a meeting of the council to discuss this matter. The results and steps to be taken will then be put before the army.

GOVERNMENT DENIES IRREGULARITIES WITH CREDIT LINE

FL291842 Paramaribo International Service in English 1730 GMT 29 Jul 87

[Text] After an emergency meeting yesterday, the government stated there is nothing wrong with the execution of Suriname's credit line with South Korea. Finance Minister Mungra declared there is no blame attached to the president of the Central Bank on this matter. The minister promised he will soon inform the public.

Meanwhile, the government regretted what it called the tendentious reporting by the C-47 trade union. Earlier this week, the union had asked the government to conduct an investigation on the alleged irregularities in the implementation of the $3 million credit line. According to the union, only half of this amount is used to import goods while the other half is paid to unnecessary middlemen.

Price Increases Criticized

FL291912 Paramaribo International Service in English 1730 GMT 29 Jul 87

[Text] The government policy concerning imports, prices, and distribution came under heavy criticism last night in the National Assembly. There was one point on the agenda, the problem of continuous increasing prices of basic needs, services, and medicine. This matter was discussed in the National Assembly at the initiative of the union movement and a faction of the 25th February Movement. All were of the opinion that government's role has been limited so far to that of an observer while a staggering forcing up of prices is seen as a big social evil. Mr (Robbie Werhurt) of the C-47 union, even explains the non-interference attitude of the government as a lack of political will to (?realize) big measures. Because of the length of last night's meeting, there was no opportunity for the minister of transport, trade, and industry to answer many questions or to (?help). Next week Tuesday [4 August], the matter will be dealt with again in the National Assembly.